FBIS DAILY REPORT

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CTK SEES 'SOBER OPTIMISM' FOR EEC-CEMA TALKS

LD191535 Prague CTK in English 1407 GMT 19 Mar 87

["Current Second Round of Talks Could Be Significant Stage" -- CTK headline; by Josef Freith]

[Text] Prague March 19 (CTK) -- The second round of talks between experts from the Council for Mutual Economic Assistance (CMEA) and the European Economic Community (EEC), held now in Geneva, could and should become a significant stage on the long and difficult path towards establishment of official relations between the two communities.

In spite of the high degree of internationalization of the productive forces, the two economic groupings were unable after almost 30 years to establish official relations. One of the consequences of this abnormal state is that two-way trade between CMEA and EEC constitutes only four per cent of the world trade volume.

First preliminary meetings took place at the beginning of the 1970's. In the following years talks were held on establishing contacts but the EEC raised demands unacceptable to the socialist community. In particular after the Helsinki conference new possibilities for economic contacts emerged but were not used. Altogether 11 rounds of talks took place till the end of 1980. The attempt at a dialogue ended in 1981 when the EEC made it clear it does not want any compromise.

For the sake of improving the general atmosphere between the two organizations and their member states, the socialist countries proposed at the CMEA economic summit in Moscow in 1984 to adopt a joint declaration on establishing official relations between the EEC and CMEA.

The talks are evidently not easy and are unlikely to be short. However, information which leaked to the public from Geneva justifies sober optimism. The positions of the two sides are no longer as distant from each other as they were in the past. As regards Czechoslovakia, it fully supports the establishment of official relations between CMEA and EEC and the setting up of bilateral relations between EEC and all CMEA member states. It wants also to arrange its bilateral relations to the EEC on a mutually advantageous and equal basis and speedily open talks of experts on this issue.

BRIEFS

CEMA IRRIGATION EQUIPMENT SESSION -- The first session of plenipotentiaries of the contractual parties to the multilateral "Agreement on Scientific-Technical Cooperation in the Development and Organization of Specialized and Cooperated [kooperovane] Production of Machinery and Equipment for the Mechanization of Irrigation" ended in Chudobin, near Olomouc, on 10 March. The agreement was signed at the end of 1986 in the CEMA Secretariat in Moscow. Participating in the agreement are Bulgaria, the CSSR, Cuba, Hungary, the GDR, Poland, Romania, and the USSR. [Summary] [Prague RUDE PRAVO in Czech 11 Mar 87 p 2 AU]

ROUND OF MBFR NEGOTIATIONS CONCLUDES IN VIENNA

Bulgarian Delegate Speaks

AU170520 Sofia RABOTNICHESKO DELO in Bulgarian 13 Mar 87 p 7

[Petur Ivanov article: "It Is Necessary To Overcome the Standstill"]

[Text] Vienna, 12 March, specially written for RABOTNICHESKO DELO -- At today's 447th plenary session of the Vienna MBFR talks Ambassador Enyo Savov, leader of the delegation of the People's Republic of Bulgaria, spoke.

In his statement the Bulgarian representative reviewed the historical development of one of the most important problems of the Vienna talks, to whose solution the states of the Warsaw Pact attribute special significance -- namely, the problem of arms. At the very beginning of the talks, which began in 1973, the West admitted the necessity of reducing arms. However, after the 1979 decisions adopted by NATO on further increasing military preparations within the framework of so-called "arms upgrading," the Western participants refused to discuss this issue. To justify their position, the Bulgarian delegation's leader said, the Western representatives started to invent many artificial reasons, such as the so-called geographic factor, imbalance, and the "complexity" of the problems which, paradoxically as it might sound, did not exist until 1979 and were not barriers on the road to reaching initial agreements. It appears that the refusal of the NATO states to include arms and combat equipment in the process of reduction testifies to their intention to protect the possibility of the future deployment in central Europe, of military groups whose number would surpass the quantity of the troops to be eventually reduced.

The Warsaw Pact states have repeatedly declared that there is no type of weapon about which one could not negotiate and reach agreements on reduction and limitation, preserving the principle of not affecting the security of any country which participants in the negotiations.

The socialist countries, the Bulgarian representative pointed out, have never demanded from their Western partners what they are not ready to do themselves in order to reduce the military confrontation in the center of our continent. As far as the prospects of the Vienna talks are concerned, regardless of the continuous standstill which exists, it is possible to achieve positive results if the Western partners show a constructive attitude toward the project of the socialist countries of 20 February 1986. To work out even modest agreements at the talks would have a positive effect on reviewing the issues concerning the reduction of troops and arms on an all-European scale.

Round of Talks Ends

AU251525 Bratislava PRAVDA in Slovak 20 Mar 87 p 7

[Bedrich Zagar Vienna dispatch: "Socialist Countries Appealed to Their Partners for Realism; Missed Opportunity Is Wasted Opportunity"]

[Text] Vienna -- The 448th session of Vienna negotiations on reducing the strength of armed forces and armaments in central Europe concluded yesterday [19 March] in Vienna's Hofburg. The first speaker to address the morning session was Ambassador Tadeusz Strulak, head of the Polish delegation, who spoke on behalf of the socialist countries. Ambassador Robert Blackwill, head of the American delegation, spoke for the West.

The statement made by these two diplomats differed substantially both in content and tenor. The Polish ambassador dealt with the Vienna deliberations in a broader international context, stressing that it contradicts the spirit of the approaching dialogue on disarmament and security in Europe in order to mark time in Vienna. In this context he recalled the Soviet proposal on the removal of intermediate-range missiles from Europe, a proposal that will undoubtedly influence the Vienna talks, too.

Ambassador Strulak appealed to the West to make a constructive contribution to the talks, and to make it possible to achieve some progress. Up to now the West has been proceeding in a way implying that it really wants to block the reduction of armed forces by its exaggerated demands in the sphere of inspection and verification. It is urgently desirable to find a mutually satisfactory solution so as to reach an agreement. The socialist countries consider an agreement in Vienna extremely important, because it would be a valuable contribution to the all-European effort to achieve conventional disarmament. One should not procrastinate on this group of problems because stagnation would place the Vienna negotiations in an impasse in the dynamics of developing international relations. It is now time to take the opporunity to achieve a constructive agreement. To miss it would be to waste it. The Western delegations should make use of the 8-week break (the negotiations will be resumed on 14 May) to realistically weigh the situation at the Vienna talks, and the possibilities offered with regard to the fulfillment of the mandate of Vienna negotiations.

During the morning press conference, the representative of the NATO countries' delegations again insisted that the socialist countries accept the West's proposal of 5 December 1985. These proposals contain a complicated verification regime, with many inspection points for the entry and exit of troops in a given area and with a large number of on-site inspections. To come to an agreement on sensible and expedient control measures is not to demand concessions from the West, it is to demand a useful compromise. The socialist countries have gone more than half-way to meet the West on issues of verification and inspection and the West knows the Warsaw Pact countries' stand on these issues very well. First, one should get to know what the two sides will agree on in the sphere of Armed Forces reduction, and then one could negotiate far more specifically on verification measures. So far the West has been taking the opposite course.

In the middle of May, when the delegations convene again, the situation could be slightly clearer; and the West could make a more specific statement on the reduction.

MLADENOV RETURNS FROM MOSCOW PACT MEETING

AU251951 Sofia Domestic Service in Bulgarian 1830 GMT 25 Mar 87

[Text] Foreign Minister Petur Mladenov returned from Moscow. Minister Petur Mladenov was welcomed at Sofia airport by Comrade Milko Balev, deputy ministers of foreign affairs, and other officials.

GDR ARMY FRIENDSHIP COMMEMORATED 13 MAR

AU131304 Sofia NARODNA ARMIYA in Bulgarian 14 Mar 87 pp 1, 2

[Report by Lieutenant Colonel Engineer Veselin Stoyanov: "Bright Manifestation of Combat Friendship"]

[Text] Our party, the people, and the soldiers of the Bulgarian People's Army [BPA], highly value the friendship, cooperation, and mutual assistance which connect us with the GDR. We are confident that our fraternal relations will continue to develop, expand, and strengthen. A confirmation of this confidence was the 13 March visit of the official delegation of the GDR National People's Army [NPA] in the detachment in which officer Zvuncharov is serving, as well as the traditional Bulgarian greeting with bread and salt, the festive military rituals in honor of the high guests, the cordial talks and meetings with the tankers, and most of all, the meeting of combat friendship between the BPA and the NPA.

The meeting was attended by Army General Dobri Dzhurov, member of the BCP Central Committee Politburo and minister of national defense; Army General Heinz Kessler, member of the SED Central Committee Politburo and GDR minister of national defense; Colonel General Horst Bruenner, head of the NPA Main Political Administration; Colonel General Khristo Dobrev, first deputy minister of national defense; Colonel General Mitko Mitkov, head of the BPA Main Political Administration; generals and officers.

Egon Rommel, GDR ambassador to Bulgaria, also attended the meeting.

Colonel General Aleksandr Zvartsev, representative of the commander in chief of the United Armed Forces of the Warsaw Pact member countries to the BPA, and the two countries' military attaches, Colonel Stoyan Stoyanov and Colonel Roland Wunder, also attended the meeting.

Opening the meeting, officer Lyuben Petrov cordially greeted the members of the fraternal military delegation and gave the floor to Army Gen Dobri Dzhurov, member of the BCP Central Committee Politburo and minister of national defense. Army Gen Dobri Dzhurov stressed the fraternal friendship and total unity of thought that exist between Socialist Bulgaria and the GDR, that have been behested by the immortal sons of our parties and peoples, Georgi Dimitrov and Ernst Thaelmann, and maintained on their present level by the first leaders of our parties and countries, Comrades Todor Zhivkov and Erich Honecker.

We are proud of our common and invaluable achievement -- the indestructible and continually developing friendship with the party of Lenin, the great USSR, and its invincible Armed Forces, the speaker further stressed. Our working people sincerely rejoice in the great achievements of the GDR working people and from the bottom of their hearts they wish them new and even greater successes in implementing the tasks posed by the 11th SED Congress.

Army Gen Dobri Dzhurov stressed that during the past year since the 13th BCP Congress, the soldiers of the BPA, together with the entire Bulgarian people, are devoting all their energy to implementing, in reality, the congress' decisions. Under the leadership of the BCP Central Committee, constant care is being invested in increasing the country's defensive capability.

The Bulgarian soldiers are proud they have such a loyal ally as the NPA, and that we are marching in a uniform formation with such patriots and internationalists. We are convinced that if necessary the armies of the Warsaw Pact, led by the invincible Soviet Army, will defend the cause of socialism in a reliable manner, Army Gen Dobriz Dzhurov said in conclusion.

An order of the minister of national defense was read which, implementing a decree of the State Council of the People's Republic of Bulgaria and with the view of further strengthening combat fraternity between the BPA and the NPA and the international education of the personnel, the detachment in which officer Zvuncharov is serving, was proclaimed a unit of combat friendship between the BPA and the NPA.

Heinz Kessler, member of the SED Central Committee Politburo and GDR minister of national defense, took the floor. In his speech he thanked his hosts for the friendly hospitality shown to the delegation by the BPA soldiers, and conveyed the most cordial greetings and wishes of Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, and the greetings of the NPA soldiers, who together with the BPA soldiers, the glorious Soviet Army, and the other armies of the Warsaw Pact member countries, firmly defend our peoples' peace.

Further on, the speaker stressed that the socialist countries' cooperation in the political, economic, scientific-technical, and military areas is an important guarantee of reaching the goals, which every people has posed to itself, for saving the world from the terrible catastrophe of a third world war. Therefore, our two peoples fully support the comprehensive peaceful initiatives and proposals of the USSR and the other Warsaw Pact member countries for disarmament, as well as the new road breaking initiative of the USSR party and state leadership to immediately conclude agreement with the United States on fully removing medium-range missiles from Europe.

However, as soldiers of socialism, we know at the same time that in the imperialist camp and among NATO members there are powerful and influential forces which want to stop all possible steps toward detente, reducing the arms, and disarmament, Army Gen Heinz Kessler emphasized further. The personnel of the NPA fully understand their international responsibility at the furthermost end of our defensive coalition, face to face with NATO's soldiers. Therefore we are making all possible efforts to increase the combat power and readiness of our military detachments and units, and strengthen combat friendship and cooperation with the Soviet Army and the other armies of the Warsaw Pact, Army Gen Heinz Kessler said in conclusion.

As an expression of the indestructible friendship between our socialist armed forces, through Army Gen Dobri Dzhurov, minister of national defense, he handed the detachment which carries the honorary name "Detachment of Combat Friendship Between the BPA and the NPA" the combat banner of the German worker-peasant army.

As a sign of gratitude for the hospitality rendered to the delegation, and the loyalty to the revolutionary traditions of the German and international workers movement, Army Gen Heinz Kessler presented Army Gen Dobri Dzhurov with a wall hanging with the image of Karl Marx, the greatest son of the German people and founder of the scientific socialism.

On his part the minister of national defense presented the GDR minister of national defense with a portrait of Georgi Dimitrov, the noted figure of the international communist and workers movement and great son of the Bulgarian people.

After the meeting the guests returned to Sofia.

In the evening a reception was given by Army Gen Heinz Kessler, member of the SED Central Committee Politburo and minister of national defense, at the GDR culture-information center in Sofia. The reception was attended by Army Gen Dobri Dzhurov, member of the BCP Central Committee Politburo and minister of national defense; Colonel General Velko Palin, head of the BCP Central Committee "Social and National Security" Department; Colonel General Atanas Semerdzhiev, first deputy minister of national defense and commander of the BPA General Staff, Col Gen Khristo Dobrev, first deputy minister of national defense; Col Gen Mitko Mitkov, head of the BPA Main Political Administrations deputy ministers of national defense; generals and officers.

The two countries' ambassadors, Petur Mezhdurechki and Egon Rommel, also attended the reception. Col Gen Aleksandr Zvartsev, representative of the commander in chief of the United Armed Forces for the Warsaw Pact Member Countries to the BPA, and the military attaches at the two countries' Embassies, Col Stoyan Stoyanov and Col Roland Wunder, also attended the reception, which took place in a cordial and friendly atmosphere.

NARODNA ARMIYA CALLS FOR MORE DEMOCRACY IN ARMY

AU170515 Sofia NARODNA ARMIYA in Bulgarian 13 Mar 87 p 1

[Article by Lieutenant General Ivan Bosev, first deputy chief of the Bulgarian People's Army Main Political Administration: "Discipline and Ethics"]

[Excerpts] The soldiers of the Bulgarian People's Army are honorably fulfilling their patriotic and international duties to defend the working people's achievements in our country and in the socialist community. A realistic evaluation of the political and military results produced by the imperialist policy of neoglobalism, of the insanely stubborn aspirations to disrupt the present sociopolitical situation in the world -- namely, the military balance achieved between the Warsaw Pact and the NATO member-countries -- and the adoption of pratical measures for restraining any attempts by imperialism to disturb the existing strategic stability -- this is a superior form of implementing one's military duty. [passage omitted]

Military disipline has always been the basis of military activity, the basis of the soldier's and commander's behavior. Socialist military discipline is marked and determined by socialist social relations. This is why only those who, both with their minds and hearts, are able to grasp the real meaning of the duties and statutes determined by socialist morality, by law, by the military oath, by instructions and orders, can truly be called disciplined soldiers; hence, the mutual links between socialist military discipline and communist ethics. It is very difficult sometimes to distinguish between them. [paragraph continues]

All actions of an individual -- his political, economic, military, and social actions -- have their moral aspects. No one can claim to possess communist morality and to observe the norms of communist ethics if he is undisciplined, if he fails to accomplish the duties imposed on him by law, by his military oath, or by the statutes and instructions of his commanders and chiefs. On the other hand, we cannot speak of strict discipline existing in a detachment where lack of principle, lies, dishonesty, rude behavior to people, red tape, abuse of state and military property, and other negative phenomena, which are incompatible with communist morality, prevail. Any attempt to separate these two elements maens, at best, a simplification of the existing problems, and an unscientific and amoral approach to these problems. It is hardly necessary to prove the great damage this would cause to our military organization, to the political-moral state, and to the military and political training of our army detachments. [passage omitted]

The January plenum of the CPSU Central Committee raised the principle of the democratization of the comprehensive life of Soviet society to the level of the chief guarantee and prerequisite for restructuring. In talking about military discipline, we often face the question of the relationship between military discipline and the concepts of democracy, freedom of the individual, equality before the law. It is no secret that certain people among our military personnel are at loss when faced with the question of combining democracy with the one-man command principle and with military discipline. Some of them even consider one-man command as the antipode of democracy, regarding these two concepts as incompatible. Such a fear of democracy in the Army is unfounded, from the legal point of view, as well as from the political and moral points of view. To be afraid of democracy is unjustified. I have never heard of anyone being harmed by democracy. Democracy in socialist society does not exclude, but even presupposes, the existence of democracy under the conditions of the Bulgarian People's Army. [passage omitted]

All the prerequisites exist, within the Bulgarian People's Army, for an active participation of Army personnel in sociopolitical life, in the work of the state organs. [passage omitted]

In defending some kind of pretended freedoms of the individual that are allegedly supposed to be restricted under the conditions of army life, the champions of such theories forget that real freedom in the soldier's personality can be implemented only in fulfilling one's military duty, as well as in observing the laws, the military oath, and the military statutes. Freedom is not expressed in disregarding one's obligations and in arbitrariness, but in the conscious accomplishment of one's duties. As to equality, both according to legal statutes and to moral laws, equality in the Army is based, not so much on rights, as on duties and on the personal example. [passage omitted]

The BCP demands of all Communists that they stand in the vanguard in regard to the implementation of all their duties -- in the Army, in political and social life, in their professions, and so forth. [passage omitted]

As for the Army, the unity of party and military exactingness represents an important prerequisite in developing discipline among Army personnel. It is inadmissible to engage in the mutual covering up of shortcomings, or in the shifting of responsibility in this connection. [passage omitted] This also includes the avoidance of personal responsibility when certain commanders, in searching for the causes of shortcomings, breaches of discipline, and other negative phenomena, hold the political organs and party organizations as the main or solely responsible bodies. [paragraph continues]

Only a full unity of action of all organs and factors, headed by the one-man commander, is the chief prerequisite for the establishment of sound military discipline under which there is no difference between words and deeds, a discipline based upon socialist morality and the military statutes, the discipline required by the interests of the defense of our beloved motherland -- the People's Republic of Bulgaria.

NEW SOFIA CITY BCP FIRST SECRETARY APPOINTED

AU251953 Sofia BTA in English 1807 GMT 25 Mar 87

[Text] Sofia, March 25 (BTA) -- Mr Ivan Panev, member of the BCP CC and the State Council, and up to now first secretary of the BCP County Committee in Plovdiv, was appointed first secretary of the Sofia City Committee of the BCP at a committee plenum today.

Mr Todor Zhivkov, secretary general of the BCP CC, took part in the work of the plenum.

Mr Anastasiy Donchev was relieved of the post of first secretary of the City Committee due to being appointed to another position of responsibility. [Sofia RABOTNICHESKO DELO in Bulgarian on 20 March 1987 carries on page 8 a brief news item stating: "According to a decree issued by the State Council, Anastasiy Donchev Ivanov has been appointed first deputy chairman of the State Committee for Research and Technology."]

BCP PAPER DENOUNCES 'FORMALISM' IN RESTRUCTURING

AU170525 Sofia RABOTNICHESKO DELO in Bulgarian 10 Mar 87 p 1

[Gencho Arabadzhiev article: "The Inertia of the Humming Tops"]

[Text] I do not know anyone who is not excited by the reforms taking place in our country these days. Regardless of the question of whether the man is a leader or a worker, regardless of the social sphere of his activities, the innovations reach everyone. A change has occurred in the nature of work, in the individual's professional situation, in connection with increased responsibilities, greater creativity, and self-initiative.... This involves, above all other things, the irrevocable necessity of making decisions.

This is the core of the innovations: Today every one of us is obliged to adopt his own decisions, as well as to implement them, naturally, only if they are in conformity with social needs. This is why it is difficult to discern who has the most difficult task -- the leader, or the worker who carries out the task. This is the case because the interconnected creative responsibilities are making these two sides of the social balance inseparable from one another. Today, everyone is obliged to perform two different kinds of tasks: that of the leader and that of the worker who carries out the task. Even when an individual is only "doing the job," he is participating in the formation of a certain policy in the social, scientific, or economic sphere. This is because every individual has the indisputable guarantee that he is master of his own work and of its results.

Until recently, was it not easier? You were just assigned a task from "above" and had to carry it out under certain conditions. You could "distort" a number of objective circumstances. You could ask for the correction, postponement, or cancellation of this given task in regard to the plan. Today we must think.

Mutual relations, methods, and attitudes are changing. The new economic mechanism, which we have discussed for years, imposes its own laws. According to all rules of logic, this is an easy task in theory, but it is difficult and complicated in practice. This is because we have to overcome inertia, accumulated for many decades. At this moment, however, certain people, to whom everything is understandable, are emerging around us. These are the people of rhetoric, the heroes of phraseology, of formalism, people who are ready to spin around like humming tops wherever they are told to spin!

These "humming tops" are our own offspring. We have raised them. Nevertheless, we must stop their eager progress in the direction in which the winds are blowing. They have no energy of their own, no strength, and no direction. They are taking their strength from the winds that are blowing at the right moment for them -- advancing toward a future they desire. There is a danger that they may exhaust our own strength and energies, because they are the kings of formalism. They know everything, the strategy is perfectly clear to them, and as to tactics.... They write the most beautiful slogans, organize the greatest number of "initiatives," and discover and slander the greatest numer of non-believers in the new cause.

The inertia of the old way of thinking is dangerous. However, its secret modification, the inertia of the humming tops, is no less dangerous. They are humming like ventilators. If we listen more attentively to this noise, we can even admire these people. However, their noise and feverish activity, their buzzing around, do not produce any results. Despite this fact, they are among the most perfectly disguised parasites of socialist society. This is why those pseudo-innovators are so dangerous, not because they are running ahead of time or because they are "overdoing it," as it appears at first glance. It is because they actually have not understood anything. It is because they do not want to understand anything about the real changes of our epoch. Their bombastic rhetoric conceals like a screen the emptiness of their thoughts, their lack of activity, and their desperate hopes to survive once again. They are striving for even more -- to stand at the vanguard, in the ranks of the innovators!

These are vain and harmful efforts. They are even dangerous; they are cunning, perfidious, and ultraconservative [retrogradni] in their essence. As a matter of fact, it is difficult today to be passive, to bide one's time, to engage in theorizing, and to lend an ear [da se oslushva]. Nevertheless, it is not harmful to react with indifference and passivity to the make-believe enthusiasm of the humming tops, and this also applies to formalists and demagogues.

They continue to spin and to hum.

They are intensifying their efforts and waiting for praise.

This is why we must distinguish between the hollow sound of empty phraseology and the weighty, resolute world of the innovator, of the creative and honest worker.

Formalism is the fair wind of the humming tops.

They are moving by inertia and all they produce is empty air.

They do not achieve anything else.

CPCZ CC PRESIDIUM DISCUSSES TRADE UNIONS' TASKS

LD252222 Prague Domestic Service in Czech 1730 GMT 25 Mar 87

[Text] A session of the CPCZ Central Committee Presidium today discussed the tasks of Communists in the revolutionary trade union movement, in connection with the preparation of the 11th All-Union Congress. It stressed the importance of the conclusions of the fifth session of the party Central Committee on furthering the restructuring of the economic mechanism and the deepening of democratization in our society, for the future direction of the revolutionary trade union movement. It pointed out that the new stage of our advancement -- linked with the realization of deep changes in the economic, social, and other spheres -- creates new conditions for the implementation of the economic, social and educational role of the revolutionary Trade Union Movement and makes it necessary to improve its work. The contribution of the revolutionary trade union movement to the restructuring of the economic mechanism and tackling the issues of the position of working collectives will be rather significant.

The CPCZ Central Committee Presidium also stressed the trade unions' role in the struggle to intensify the economy and to increase labor productivity on the basis of scientific-technical advancement. It is inseparably linked to the application of their role in securing the fulfillment of social interests and the protection of the working peoples' rights.

The fulfillment of the revolutionary trade union movement's new responsible tasks require it to deepen internal trade union democracy in its entire activity; firmly overcome the manifestations of bureaucracy, formalism, and administrative methods; reinforce political work; create an atmosphere of openness, criticism, and self-criticism; and encourage initiative and activity by working people.

The Presidium further discussed the report on the implementation of measures for improvement in the efficiency of the work of the National Security Corps, in particular in the fight against crime, in promoting public order, and in protecting citizens. The aim of these measures is to reinforce the efficiency of maintaining order by the security services of the National Security Corps in the country.

The CPCZ Central Committee Presidium also acknowledged the report on the results of the stay in the USSR by a study delegation of the party Central Committee, led by Jindrich Polednik. It discussed the findings gained from the work of local Soviets after the 27th CPSU Central Committee Congress, particularly in the advancement of socialist democracy, improvement of the election system, securing the social and economic programme (?in localities), and the advancement of new forms of services to the population. It set the task to make use of experiences gained in improving the work standard of the national committees.

During its session the CPCZ Central Committee Presidium decided on some other issues related to domestic and foreign policy.

HOFFMANN, DELEGATION DEPART FOR WFTU SESSION

LD252053 Prague Domestic Service in Slovak 1400 GMT 25 Mar 87

[Text] A delegation of Czechoslovak trade unions led by Karel Hoffmann, deputy chairman of the World Federation of Trade Unions [WFTU], left Prague today for Warsaw to attend the 37th session of the WFTU bureau. Ibrahim Zakariyah, general secretary of the WFTU, and other members of the WFTU Secretariat left together with the delegation.

STROUGAL ADDRESSES CPCZ AKTIV IN PRAGUE 2 MAR

AU180501 Prague VECERNI PRAHA Supplement in Czech 4 Mar 87

[Speech by Lubomir Strougal, CPCZ Central Committee Presidium member and CSSR premier, at the aktiv meeting of CPCZ functionaries and Economic Executive Staff in Prague's Lucerna Hall on 2 March: "On the Principles of Restructuring the Economic Mechanism and on Topical Political Tasks"]

[Text] Common Goal [subhead]

Right now, our every word, our every act is carefully and strictly assessed in the context of all that is now happening in the Soviet Union. There is no doubt that it was the CPSU Central Committee's January session that had cast a new and much sharper light on the conclusions of the 27th congress, and generally on the CPSU's policy since the April 1985 session of its Central Committee. It would be pointless to talk at length today about the intensive and extensive interest with which the vast majority of our people are following these processes and the statements made by Comrade Gorbachev and by other Soviet representatives.

No one can say this is not the way it really is in our country. People are talking and pondering about all this, and we can say this literally revolutionary process has greatly contributed to substantially revitalizing social awareness in our country and to activating political thinking here. We can only welcome this; this is undoubtedly a most positive feature of our country's current situation. And it is only natural for the immense attractiveness of Soviet ideas to lead to a new enhancement of the CPSU's authority, and to the admiration and high appreciation felt for this party, its country, and its leadership.

At the same time, many people are asking: And what about us? Are our internal conditions so very different, so very specific, that such things do not concern us? Can we be content merely to state that the resolution of the 27th CPSU Congress and its new program, as well as the resolution adopted by the January session of its Central Committee, are nothing more than valuable incentives for us? Undoubtedly, they are not only valuable incentives, but also must represent a direct instruction on how to think about the state of affairs at home -- in our own country -- and also abroad in a new way -- an instruction about our activity and the direction and methods of our future course.

Again and again we hear people ask: What is the development in the Soviet Union all about? Is it exclusively its own affair, emerging from its specific conditions? Or does it perhaps have far broader, far more general validity?

One must adopt a totally clear-cut, frank stand on this. An extremely significant process is now taking place in the Soviet Union. We could call the revolutionary process of all-round perfection of socialism a process of raising socialism to a qualitatively higher level making it possible to use better all the merits and possibilities of this social system in the interest of man.

We know that a number of other socialist countries are striving to enhance socialism's efficacy in all spheres, but particularly in the sphere of the economy; we in our country are also developing the same endeavor. Each of these countries naturally has its own, unique and specific features, determined by the general level of socioeconomic development, historical development, traditions, and so forth. However, people following these matters with at least some degree of attention know that the basic reasons why all these countries are striving to accelerate their social development are essentially identical.

This also applies to the need for development in Czechoslovakia and the Soviet Union. Despite all the specific features -- and there are many such features -- here we have basically the same processes, which affect the same spheres of social life and which have the same goals. That is why we can unambiguously say that, in terms of content, Soviet developments are universal and generally valid. They yield a lot of new experience for the joint treasury of our movement, experience which has the most general validity as possible.

Understandably, at the same time we do not have in mind mere partial steps or measures, which can differ in individual countries according to their specific conditions. But the overall orientation of this restructuring and acceleration strategy, its main thrust and trends, and its substance and spirit are common for all socialist countries which are striving to accelerate their development -- including Czechoslovakia.

That is also why our party has so clearly professed its allegiance to the results of the CPSU Central Committee's January session, which signify another step in elaborating the 27th Congress resolution. But I want to stress here that it is not merely a matter of the January session. The CPCZ professes full allegiance to the overall policy of Soviet Communists; the Central Committee session in April 1985 was already a clear landmark for the formulation and implementation of this policy.

It is unnecessary to conceal recent attempts to pinpoint the significance of the CPSU's new experience and of the new ideas characterizing its current policy regarding the Soviet Union alone. Although verbally one recognizes the revolutionary impact of Soviet processes, in the same breath one adds that, in view of the totally different Soviet conditions, the processes are of a very specific nature.

It is interesting that these views are often spread by people who formerly recognized specific national features only if they were understood as standing deep in the shadow of generally valid logical principles and trends. If they used to absolutize these general objective laws, for a change, they now tend to absolutize our own specific features. One is inclined to ask whether such an attitude does not conceal an inability to grasp what is essential in our reality, or an unwillingness to change anything in it, despite the fact that the internal needs of our further development and the urgency of resolving our domestic political and social problems (an urgency enhanced by the sum total of external economic and political conditions) are calling very emphatically for such intensive changes.

The road taken by Soviet comrades is also our road. It is a road of new thinking and new upsurge, a road revealing new sources of social movement. It is a road that should lead us toward improving work in every sector, the work of every one of us. But it is also a road of struggle to enhance the weight and authority of world socialism, to strengthen its influence on international developments in favor of peace and social progress.

We are not merely talking to suit the times if we repeat today, quite unambiguously, our allegiance to the policy pursued by the Soviet Union, to the line of the 27th CPSU Congress, and to the resolution adopted by the CPSU's Central Committee at its January session. In fact, we realize this policy could have and actually had its origin in what is to date the most thoroughly substantiated scientific analysis of the indepth processes occuring in the socioeconomic and sociopolitical milieu not only of the Soviet Union and of the other socialist countries but also of the entire world civilization.

It is wrong to believe the CPSU's new policy is merely a reaction to certain shortcomings and problems recently appearing in Soviet life, and above all in its socio-economic development -- a reaction to a certain slowdown in the rates of economic development. The new policy results from causes far more complex and extensive, and in terms of their basic trend and orientation they go far beyond the interests and borders of the Soviet Union.

The CPSU is the first political force to react to the new conditions in which our entire human civilization and -- within this framework -- world socialism, and the international communists and workers' movement have found themselves. The CPSU has discovered the -- so badly needed -- expression of world labor interests and in this sense, it has widened the scope for the battle and preservation of general human values. This was again expressed very convincingly by Comrade Gorbachev at the recent Moscow peace forum.

The most recent proof of this effort is the declaration made by the CPSU Central Committee General Secretary last week, in which he proposed, on behalf of the Soviet Union, to separate the intermediate-range missiles in Europe issue from the entire Reykjavik complex of issues, and to conclude an independent agreement on this problem as soon as possible. By taking this step, our continent would eliminate a considerable portion of the nuclear potential. Such an agreement would also mean that the operational-tactical missiles, which we have deployed in agreement with the Soviet Union in reply to the American Pershings deployed in the FRG and in other states of Western Europe, would also be withdrawn from our own territory. I want to say the CPCZ Central Committee Presidium and the CSSR Government welcome this proposal and express their full solidarity with it. The present phase of Soviet policy is very strikingly characterized by its active effort to achieve a peaceful arrangement in the world.

This is one aspect of the matter. Along with this, the CPCZ has discerned that in this great sphere of socio-economic processes and in view of the current second phase of the scientific-technical revolution, mankind is now crossing the threshold of current technological, industrial production methods, the principles of which were laid down during the industrial revolutions of 2-3 centuries ago.

Totally new quality in production forces is now emerging; we can witness the birth of a new technological method, based on direct and immediate implementation of science in social production.

What else but the socialist social system has a chance of coping with or even foretelling the current trends of the scientific-technical revolution? This is no subjective vision or unattainable wish -- it is an objective possibility, it is our chance, our realistic hope and we must strive to make it come true in all spheres of the socialist system.

The CPSU has also carefully studied the sphere which concerns man's self-realization in connection with these changes and has studied it on many levels and in many contexts. The substantial changes in the nature of work, the stunning rise in educational standards and in the people's general cultural standards and the unprecedented rise and impact of mass information and propaganda all leads us to conclude that it is necessry to constantly open new ways for the people to manifest and implement their talents, interests, and awareness, in a far easier and fuller way than in the past.

That is why the role of social policy and social justice is so greatly stressed; that is why such emphasis is placed on moral norms; that is why the implementation of the elements of socialist self-management is so greatly stressed; and that is also why socialist democracy is so broadly developed.

"We want more socialism, and therefore, more democracy," Comrade Gorbachev says. This is a very brief -- but at the same time very precise -- formulation of one of the main aspects of the current processes, not only in Soviet society but also in the socialist community in general. This is because the extensive democratization of all its spheres is an extremely effective means of activating all of man's positive qualities, abilities, and energies, of activating the human factor as the decisive factor in raising society's performance and in comprehensively improving it.

All these circumstances and reasons have led our party's Central Committee Presidium to profess its unambiguous allegiance to this policy and to the resolution adopted by the CPSU Central Committee's January session. Our Presidium has stressed that it regards them as a significant contribution to solving the tasks of socialist construction in the spirit of creative Leninism. We issued an instruction on elaborating a number of sugggestions that were made at the CPSU Central Committee's January session at the same time, which were aimed at deepening the democratic principles in the political, economic and other spheres, at developing socialist self-management, and at strengthening our party's leading role.

Basic Change of Quality [subhead]

Our party leadership's first step in this direction was to comprehensively prepare the restructuring of the overall system of managing our national economy.

In this we proceeded not only from the premise that the existing economic management mechanism is lagging behind the needs of development, but also from the idea that a better and more effective management system is actually a kind of specific and rather cheap production force.

We have here a turning point which has nothing in common with the isolated partial corrections of the current management method. We have here a radical break; our concern is to make management fully assert itself, together with scientific-technical development and the international division of labor, as one of these three decisive factors of economic growth.

The adoption of the principles -- and now also of the detailed working schedule -- enable every person to clearly find his place in the future arrangement of management relations, to prepare himself for this both psychologically and professionally, to be able to take immediate, specific steps to gradually implement them.

The question of how best to comprehensively and topically explain the matters connected with the economic reform is on the agenda of today's meeting of the party aktiv of our Prague City Committee.

I want to concentrate in my elucidation [vyklad] not only one the most essential issues, manifested in the views and questions voiced at party members' annual meetings and in the letters we receive, but also on the results of a study carried out by the party's City Committee, which was so valuable precisely because of the direct and very frank views expressed in it.

I do not want to go back to the overall concept of economic reform. That was fairly completely explained at the statewide aktiv meeting toward the end of January. I would prefer to focus your attention on the aspects that will most significantly distinguish the restructuring of our overall management system from the present state of affairs. I must quite unambiguously state that the most important and revolutionary aspect will be the totally new status of economic organizations. They will lose their character of mere executors, or perhaps realizers, of the tasks and intentions they received from above, with regard to the central management sphere.

Initiative and Independence [subhead]

Where will the increased independence of economic organizations be manifested?

We expect the transition to total economic accountability [khozraschet] (within the framework of which we will implement the principle of self-financing) to radically change the present situation. The enterprise collective will be handling the social production assets and the means entrusted to it. It will have at its disposal only those resources it has created by socially desirable methods and it will use them according to its own ideas while naturally respecting the rules set by the state economic policy. In the first place, this implies the duties: to make payments to the state treasury; to renew and expand the socialist ownership entrusted to it; and to ensure wages and create the necessary reserve funds. This is why the economic attitude to work and to fufill its results wil be established and improved. The initiative and independence of working collectives will acquire a truly realistic basis, since the current execution function will be replaced by the function of real entrepreneurship.

This is a function absent today in the vast majority of economic organizations. Of course, the absence of this function is also due to the fact that the existing management system does not establish conditions for it -- on the contrary. At the same time, we have another problem: namely, that this method has entered the bloodstream of many senior staff members in central agencies, enterprises, and economic production units, and that it wil not be easy to get them to unlearn their old habits.

When we say that entrepreneurship will be the dominating function under the considerable independence of enterprises and of total economic accountability, we mean an economic activity which is based on the internal needs of the enterprise in question, while simultaneously respecting social interests. And since the prosperity of the enterprise and the satisfaction of its short- and long-term interests will depend on highly organized labor and production, on the overall standards of its economy, and also on the standards of the decisions made, everything will greatly depend on how thoroughly the executive staff thinks out the ways and means of developing their enterprises.

Every decision will have to be preceded by careful economic calculations; the enterprises will have to make an effort to keep their old customers and to win new ones, by maintaining the high quality and technical-economic standards of their products, and naturally by competitive prices. This, comrades, will be a completely different view of the work and deliberations of executive staffs. Do not forget we will be increasingly transferring responsibility for foreign trade activities to enterprises which in turn will be entitled to make their own decisions on establishing direct contacts not only with partners in other socialist countries, but also with firms in the capitalist states.

From my talks with senior staff members who understand their job and who are able to imagine the demands that will be placed on them under these new conditions, I know they are wondering (and justly so): Will I be able to cope, or not? Actually, up to now things were rather simple for me, the comrades say. The center told my enterprise to produce a certain number of products of a certain kind, to distribute them in a certain way, and to deliver them to a certain customer. For all this it gave my enterprise a certain manpower, and generally certain means, too.

Now, of course, things will be different. Central agencies will no longer issue me so many instructions, or direct me in such detail; however, now I will have to worry out how to ensure a certain number of orders and also the most advantageous production program, and how and where to ensure supplies; and I will have to haggle over prices of the commodities which I will be producing, over the prices of raw and other materials, or else about the prices of component parts which I will have to buy.

Of course, total economic accountability will provide a great opportunity for capable managerial staffs and working collectives which will know how to take advantage of the new opportunities. However, at the same time we must not loose sight of another aspect of all this: namely, that total economic accountability does not promise anybody an easy life, since no partner will permit an enterprise to live off the work of another enterprise.

The independence of economic organizations will be further ensured by the new elaboration of the state plan. What will this mean in practice?

New Concept of the Plan [subhead]

The basic method of such an elaboration will be to make known the criteria and norms (which are basically uniform and will be valid for a long time), and particularly the rules for distributing net income (that is, the profits of the enterprise). At the same time the parent central agency can entrust the subordinated enterprise with certain tasks, such as the export of certain equipment, the construction of an ecologically important facility, the subdelivery of special equipment, and so forth. However, none of all this may disrupt the principles of economic accountability and self-financing of an enterprise. We naturally expect the frequency of such task specifications to gradually diminish, and its significance to wane.

Under these circumstances, the way economic plans are made will also basically change. Not only will the enterprise be responsible for the elaboration and quality of the plans, but also it will be entitled to make changes in them -- naturally with the exception of perhaps binding, specific tasks, and of the allocation of the state plan.

This is linked to the frequently discussed issue of determining the production program structure. If we want the organizations that work according to the principle of economic accountability to consider efficiency when making decisions and to flexibly adjust to the demands set by domestic and foreign markets, then we must not specify to the very last detail precisely what they should produce, who they should deliver to, or from who they should buy. Since we have already declared that net income and profit are the basic criteria of an organization's successes, we cannot now introduce additional criteria and tasks into the economic mechanism.

On the other hand, we naturally cannot allow the enterprises to abuse the existing lack of equilibrium, and the dominant status of suppliers and their monopoly, to reach better economic results by using socially undesirable methods. By this I mean the ideas on independent pricing, or on the greater rights of enterprises being identical with the right to dictate prices, ideas which are harbored by various people in the executive staff. We have not forgotten the experience gained from deformations of the economic reform toward the end of the sixties, and we will insist that the appropriate state agencies must not succumb to the pressures of the economic sphere at any price, if these pressures contradict the general social interests.

People familiar with the present state of affairs in the operation of economic organizations and enterprises can certainly imagine very well what such a delineation of new powers and responsibilities will mean not only for the management staffs of these organizations but also for whole working collectives.

An independent enterprise economy, in the sense I mean here, must be accompanied by the right of an enterprise to make joint decisions on its economic alignment [zarazeni] and structure.

You know our country has various organizational structures and forms of economic units, and that our experience with them varies. Our concern is not to go on limiting them to uniform models in the future; we want the sphere of economic accountability to be able to organize itself so that it corresponds best to the principle of rationality and social effectiveness.

From this viewpoint we must see the greatest shortcoming of the present situation in a certain megalomania, or effort to concentrate and centralize the production-technical base both of the production and of the nonproduction sphere into increasingly large organizational complexes at any price, and thus to preserve harmful monopolist tendencies in what is essentially an administrative manner. It is, therefore, top priority that we organize our production base better, especially to enable enterprises to merge, split, or be set up according to a single criterion -- namely, to achieve the best possible results -- that means, the best possible satisfaction of consumers' demands by means of good quality, modern products and the lowest possible costs, and thus also profit [phrase as published] -- and consequently also their maximum contribution to the creation of the national income. We expect the gradual implementation of the new economic mechanism to basically lead to two-level management in our country. The independent economic organizations will be directly subordinated to central agencies. Exceptions could be granted solely in those instances when such an arrangement would be impossible (for instance, from a regional viewpoint).

I have no intention of analyzing here the management and organizational arrangement of the nonproduction sphere, where the irrational, heavy-handed, multilevel, rampant apparatus is particularly manifest. The responsible staffs in the sphere of health care, trade, and services must at long last produce proposals on how to reorganize things. They should not have waited here for the economic reform -- they should have done something long ago.

Understandably, directors, other executives, and working collectives themselves, will be interested in enabling people to earn as much as possible, providing people with the best possible working and other conditions, and making their work well-organized, smooth and free of breakdowns.

In a situation where (for instance) the employees' earnings will directly depend on the results achieved by their enterprise (in economic terms), the working people will be influencing the affairs of their workplace far more than before. In fact, it is scarcely possible to make thousands of people, their earnings, and thus also the living standards of their families, depend on the actions (or the lack thereof) of the executive staff in their plant or enterprise, while depriving these people of the right to have a say in these matters, and of having the possibility to influence the selection of the executive staff and check on its activity.

The Right and Duty To Make Joint Decisions [subhead]

The Soviet draft law on enterprises, which was recently published in the press and has justly attracted attention among our own public, yields a lot of interesting things in this respect. Our own economic mechanism restructuring envisages a substantial expansion of the working people's participation in management and in decision-making in plants and enterprises, on the basis of the implementation and development of self-administrative elements. In this respect we would do well to have a good knowledge of the experience accumulated by other socialist countries in which self-administration has been introduced in one form or another.

It is quite obvious that we will have to change many things from the way they are done today. Among other things, the expanded scope of the powers and responsibilities of enterprises will also lead to a substantial increase (and enhanced scope) in the number of things which the enterprises' senior staffs will be unable to resolve without the participation of working collectives. People will not only proceed to state their views on these matters but also have the right to make joint decisions on many of them, thus naturally adopting their share of responsibility for them.

If we think these matters through to the end, we will clearly see their ideopolitical aspect. The fact is that such a specific, democratic participation of working collectives in the decision-making process will most certainly be a great incentive for them in developing social activity and initiative, and an interest in matters concerning the operation and work of the enterprise in which they work. Consequently, their way of thinking and their awareness will change; and the elements of their alienation to work (which are logically present to a certain extent even in our present phase of development) will be gradually overcome.

This is exactly what we want to achieve. We want workers and other working people to really feel they are the masters of production means, and thus, share responsibility for the results of their work. Actually, this is merely the realization of Lenin's idea that one can achieve the highest democracy in the socialist system only in those places where man feels himself to be a real manager and creator.

However, no progress is possible in this direction without a substantial improvement in the flow of information to the working people, an improvement both in quantity and quality. This is both logical and understandable. If people are to share decision-making on matters concerning their workplace -- or at least voice their qualified views on them -- they must know about all the essential things happening in their workplace and their plant. Moreover, the relations between management and working collectives must be adjusted in this respect as necessary.

Naturally it is still difficult to say how these things will pan out in practice. Nevertheless, one thing is certain: We want to improve the forms of working people's participation in management, and we will search for new forms which would correspond far better to the conditions and requirements that result from the restructuring of management and of the economic mechanism. We think that here the trade unions have (and will have) broad possibilities for activity; they are considering these issues also in connection with their preparations for the 11th national trade union congress.

I would like to emphasize here once again that nothing great can or will be achieved without our involving all people and catching their interest. If we are really to set things in motion, we must involve literally every single person in the process of change otherwise all our talk about the growing significance of the human factor will remain merely a phrase.

Our main concern is to have people act and work under the new conditions which will emerge as the result of management changes in a way which will show their full awareness of all that is at stake; we want them to fully identify themselves with these goals. This moral-political aspect of work, and of man's activity as a whole, is a great advantage and achievement of socialism and one of its new qualities. However, why not concede that it is also our great and untapped reserve?

Wages According to Work [subhead]

We consider it only natural that people are wholeheartedly interested in the way the new conditions will affect their remunerations, particularly after becoming acquainted with the public principles.

We will naturally not abandon the central orientation of basic wage correlations or the uniform assessment of the quality and social significance of work. In the future, too, we will have to count on making the technical-economic norms more objective, and on further improving the uniform wage rates. This method of remuneration will continue to represent the implementation of the right to receive a just reward for the work accomplished.

Nevertheless, it must be stressed that there is no chance that we will interpret the central orientation of wages as the central agencies' right to tell enterprises how they should distribute every koruna from their wages fund.

Generally, our regulations on remunerations suffer from two kinds of shortcomings: First, they issue orders on matters which should exclusively belong in the jurisdiction of enterprises -- such as how to make evaluations of their employees, or how to assess the impact of bonuses on the fulfillment of appropriate indexes; and second, their orders are enormously complicated.

We have not forgotten what Hero of Socialist Labor A. Kubes said at the 17th CPCZ Congress: Even a well-qualified worker cannot figure out his pay slip. Complicated notations of diverse compensations and of extra pay, the complicated system of calculating the income tax -- all this clamors for a radical change and simplification.

Thus, even in the sphere of wages, we must seriously consider dividing responsibility between central agencies and enterprises; we must put an end to the agencies' holding a protective hand over every director and we must hand over those wages linked to performance, but is not part of actual wages, to the organizations. Such a shift of responsibility will naturally emphasize the role of the Revolutionary Trade Union Movement (ROH) and its organizations, as well as the significance of collective contracts, which should bind specific rules for distributing bonuses, remunerations, and shares to economic results.

In the sense of the principles, we will continue to strengthen the dependence of every individual's wages not only on the quantity and quality of his work but also on the results achieved by the entire collective. This is why we support the development of the brigade form of the organization of labor and remuneration; in fact, it is this brigade form which is creating a more exacting atmosphere directly in workplaces -- an atmosphere that does not favor loafers, or a lack of discipline, or scheming to the detriment of others.

The rebuilding [prebudovani] of the economic mechanism must also establish conditions for interesting people in the final results of the work accomplished by their whole enterprise. In the future, not a single member of a working people's collective should be indifferent to the extent to which his enterprise contributes to the growth of our national income and of our social riches, or to the way his enterprise satisfies society's needs, for the sake of which it had been set up. We have been producing such propaganda for dozens of years without achieving any palpable results. The people's interest must have a material basis in the shape of an adequate and differentiated dependence of every individual's wages on the entire organization's activity.

The greater dependence of bonuses, extraordinary remunerations, and shares on net income will become the basis of a certain differentiation of average wages in individual enterprises; but it will also arouse the working people's interest in a deeper, real participation in management, which we consider far more important.

However, the restructuring of the economic mechanism would be left half-done were we to dissolve this understanding of the principle of social justice in compromises, in excusing inefficiency, in forgiveness, or in mutual dispensations. In the same way nobody should be shocked because a person showing extremely successful, provable results is entitled to receive extremely high remunerations and wages.

In brief, we must have a mechanism that will efficiently ensure advantages for those individuals and collectives showing above-average results, but which will nevertheless harshly affect those who are constantly wallowing in the luxury of ineffective and loss-producing activity.

We must establish the necessary political atmosphere for this. However, such an atmosphere will not be created by directors and the executive staff alone; for this we need the active work of party and trade union organizations.

We are convinced that if we succeed in coping with this complicated and conflict-laden aspect of restructuring, we will inevitably establish the same exacting atmosphere in enterprises as the one existing in brigades and collectives that function well. There will simply be no place for idlers or loafers.

Technical Development Is a Vital Necessity [subhead]

I consider it necessary to deal with a large group of issues concerning the problems of scientific-technical development. We see a certain misunderstanding emerging here. Because the principles do not specifically mention this matter, some comrades and citizens feel that it is being underrated.

However, it is precisely with the example of scientific-technical development that I would like to demonstrate how saturated we have become by all the formalism of appeals, calls, and ideas, so that everything has to be somehow regulated and have its own special box.

Concurrently, we can see the radical difference between our present management system and the system we want to introduce. So far we have not succeeded in implementing scientific-technical progress in production, despite every endeavor made by central agencies and by lower management levels; at least not to the extent which would be commensurate to the significance and weight of this undoubtedly most effective current factor of developing production forces. Currently, the technical development of an enterprise essentially depends on: the decisions made by higher agencies; the allocation of means; and the ceilings set for imported capital assets. In this way production is either deprived of the possibilities for technical "rearmament" and for innovations and structural changes, or else makes no effort to find them and is thus often not even prepared for them.

The new economic mechanism will harshly and mercilessly force production to promote scientific-technical progress in its own, almost vital, interests since it will have only a small chance of asserting itself and of developing, if it fails to make the broadest possible use of this progress.

And it is precisely toward this new economic atmosphere that all elements of restructuring are oriented; this applies to total economic accountability, to distribution according to the final results of work, to the rational appraisal of production factors, and to the variety of organizational structures. All this is meant to establish prerequisites and opportunities for comprehensively enhancing the role of scientific-technical development, for achieving labor productivity, and for significantly improving the technical-economic standards of basic assets.

We must totally grasp the fact that the economic-accountability function of economic organizations -- and thus the dependence of the material interests of collectives and individuals on the final results of work -- will put pressure on the scientific-research base, on the design agencies, and on the pre-production stages in general. Scarcely anybody is currently aware that research will receive a completely different status than what it has had to date and that it will be subjected to the diktat of enterprises which will need speedy and efficient solutions if they are to achieve good results.

Such an implementation of the principle of economic accountability in research institutes and institutions of higher learning, while preserving the role of central agencies and the subsidies for priority research programs, will undoubtedly influence the focus of work and also the structure of centrally-administered research organizations, as well as the output and orientation of branch and enterprise institutes and of pre-production stages. In brief, we consider it necessary to stop perceiving scientific-technical development as an organizationally independent entity which has, with time, won a kind of special status from top to bottom -- deplorably, a status which is frequently its own raison d'etre, often isolated and in which the blame for an unfortunate situation is shifted from shoulder to shoulder.

We have a plan for scientific-technical development; a number of indexes for its fulfillment, in terms of volume, are being monitored; and we have institutions that specialize in these problems headed by deputy directors and directors. But what is the use of telling us that "the organizations of the Prague research and development base were to resolve 128 tasks of the state plan of technical development according to their plan for 1986? And that 127 tasks were being solved, which is 32 more than in 1985? Is this much? Is this too little? Is this good or bad? Nobody can tell us what this specifically gets us.

I do not exaggerate, comrades, when I say that science and technology are the heart of an enterprise and not just an external appendage for embellishment because some people higher up want it. I do not mean that interest in technical progress has disappeared among our workers, technicians, and engineers. The situation is due to the obstacles in the system; to the fact that this progress has become an item in reports, an item limited by, and depending on, various things; and to the fact that is not the alpha and omega of the work of the entire management of our enterprises.

Restructuring cements the organizations' high jurisdiction in the matter of choosing the structure of production and the production factors used; it gives the organizations the right to build associations, to establish direct contacts with enterprises and organizations abroad; it provides them with an opportunity to rebuild the internal structure of organizations so as to permit scientific-technical progress to assert itself and to be implemented without any obstacles in all pre-production stages, as well as in production itself.

I must say that in this sphere it will be particularly important to make the executive staff of economic organizations utilize every opportunity that restructuring presents them. One should have as few directives and instructions from above as possible, and their contents should be limited to what is necessary and what is beneficial to the matter at hand.

Naturally this does not mean that the central agencies should cease devoting attention to scientific-technical development. On the contrary: The central agencies must focus their attention precisely on the issues extending beyond the circle of interests and possibilities of the enterprise sphere -- in other words, on basic research, on subsidizing research in highly promising sectors in which the possibilities of directly utilizing results are, for the time being, still limited.

It is said that today's science is the technology of tomorrow. This fully applies to our current conditions, too, as regards the implementation of scientific results in practice. Restructuring allows science and technology to advance together far more efficiently, from the viewpoint of the present needs of the national economy and also from the viewpoint of its prospects.

We want to concentrate our means on those spheres of science and research in which we can assert ourselves on a worldwide scale and in which it is expedient, given the dimensions of our economy; but in the same way we must learn to concentrate the mental potential of our scientists and technicians, not according to which organization and branch they belong, but according to the nature of the tasks which must be solved. We must have maximum flexibility here, the possibility to expediently regroup forces and to formulate temporary collectives to solve tasks which will be dispersed after their work is completed. Our economic policy must unambiguously support talent in science, technology, and production -- it must not tie their hands behind their backs by sweeping approaches and administrative reins.

Only such an approach to scientific-technical development can lead to implementing the 17th party congress strategy. It is necessary to take the path of substantive measures in production, the path of modernization and retooling, and to demand not metric tons and volumes, but quality and high technical-economic standards from the producers.

This demand concerns our engineering -- and, within the engineering sector, its Prague base -- more than any other part of the national economy. It is this branch that will determine to a decisive degree the technical modernization of all industrial branches and which shoulders the task of raising the efficiency of exports. However, if we proceed from the modernization projects currently considered, the overwhelming part of engineering production would permit only one-half of the labor productivity growth required in the Eighth 5-Year Plan. All the more urgent is the demand to apply the new economic mechanism to life as soon as possible, simultaneously opening the door to the full application of science and technology in production.

Eliminating the Avalanche of Paper [subhead]

Questions criticizing the enormous administrative intensity of the current management practice and the bloated administrative staff are very frequent. This criticism is fully justified. Answering the question of how to proceed in this respect is more complicated. The proposals we are receiving recommend we repeat some past campaigns and opt for cutting one off each administrative staff. I will be frank and say that we do not deem this path to be sensible. Experience has conclusively shown that when such campaigns are launched people leave by the door only to climb back in through the window just a few months or years later. In our opinion this issue cannot be addressed in such a partial way, but can in all its connections. Yes, we do have an overblown administrative staff, which we must cut down and, above all, make more efficient.

These are the steps that might lead to this:

First and foremost, we want to and must change the way in which the state plan is broken down for the economic organizations. Today this takes the form of a wide range of indicators and normative rules for material incentives set individually and broken down differently for every organization. Throughout the management hierarchy this requires an immensely paper-intensive and economically inefficient itemization, modification, and evaluation of the plan, which generates an endless amount of administrative paper and red tape. We want to eliminate this cause by regarding long-term normative rules -- rules, moreover, that will be essentially uniform for all organizations -- as the main instrument of management on the part of the state plan.

The second grave cause of the paper avalanche is the existence of economic imbalance and strain in a number of spheres, which accounts for the great number of products, resources, jobs, and services in short supply. This makes it necessary for central agencies and the lower links of management to devote a large part of their time -- literally on a day-to-day basis -- to the constant distribution, redistribution, and allocation of scarce items, to orders for their production, or to transferring them from various places in the country, often in a highly incompetent way, without the required knowledge. Today this activity accounts for perhaps 50-70 percent of the activity of staffs in the center, in production as well as nonproduction spheres. In a balanced economy, where there is harmony between supply and demand, their activity would have different scope and function and for the most part, these matters would be a concern of enterprises and organizations. The principles place exceptional emphasis on restoring economic balance and equilibrium and stress the key role played by the state plan in tackling these issues. Thereby, the principles want not only to eliminate the intolerable administrative intensiveness in this area but, on top of that, to create conditions, through economic balance, for economic pressure with a view to efficiency and technical development.

The third cause is the fact that, superimposed on the generally valid legal regulations -- such as the Labor Code, the Law on National Economic Planning, the Economic Code, the Tax Law, and so forth -- there is an incredibly broad funnel of executive, qualifying, and explanatory regulations embracing virtually all management links, the functional divisions of interbranch and branch central agencies, national committees, and lower links in the economic as well as nonproduction spheres, which generates unimaginable administrative work in the center and in individual organizations, as well as confusion, unworkability, and considerable contradictions in legal regulations. This cause should be eliminated by abolishing, altering, or simplifying some laws and decrees -- and there will not be just a few of these -- and by enhancing the validity of general legal regulations for all management branches and levels. At the same time, as far as is feasible, these general regulations should not be replenished with extra sets of regulations issued by branch and territorial agencies.

The fourth basic cause of great administrative intensity is the excessive scope of agencies and organizations in the center and at lower levels. Each of these links issues instructions, guidelines, orders, extra conditions, regulations, and indicators which generate inefficient and extensive administration, accentuate noneconomic methods of management, and water down the principles of legislative, generally valid regulations.

This is another reason why we want to review proposals for newly organizing the production-technological base and also review the general setup of central agencies and designated sections of the nonproduction sphere.

In this way it is necessary to establish conditions for a palpable reduction of administrative staffs and fix rules that would prevent their later growth. Finally, under conditions of economic accountability [chozrascot] and self-financing the work collectives in the organizations will most likely themselves follow these issues very closely, in their own interest.

Overcoming the Power of Routine Approaches [subhead]

As regards preparatory work on the economic reform, this year will be immensely demanding in terms of the amount and quality of the central agencies' work, because the principles must be forged into a comprehensive document that is to be submitted to the supreme party and state agencies by the end of 1987.

It is the center that now fully and unconditionally bears the responsibility for preparing the implementation of this restructuring and for preparing the enterprise sphere's comprehensive and smooth transition to the new conditions of running economic affairs.

This is no easy job. The power of inertia, routine approaches, and also distaste [for restructuring] is formidable. And we are not even free from signs of resistance to such restructuring, signs that are being disguised and substantiated in various ways.

Because we should and we want to deal with this state of affairs by enlisting people for restructuring, the dominant role of party organizations in ministries and central agencies is coming to the fore in this connection. We expect them to stand in the front ranks of this struggle and, by weight of arguments and with ministers' guidance and participation, to help assert and also ensure the right cause. We do not doubt they will have the full backing of the city party committee and the municipal district party committees, as well as that of the relevant Central Committee departments.

It is necessary to realize that the comprehensive document should clarify in considerable detail all the important questions concerning the function of the new economic mechanism. This means that it must strictly define criteria-based deductions [kriterialny odvody] from wages and production assets, stipulate a system of uniform normative rules, and delineate mutual relations between central management agencies as well as the relationship between central management and economic organizations. Naturally, it should also provide an answer to questions concerning the organization of the production-technological base and the setup of central agencies. It must also comprise a clear delineation of the role of work collectives and their standing under the new economic mechanism.

To put it in simple terms, it must constitute a set of specific rules for implementing the restructuring of the economic mechanism, one embracing all branches and sectors of the national economy.

The most important — and also the most complicated — part of the preparatory stage of work is the comprehensive restructuring of wholesale and procurement prices. We are facing a gigantic job here. The introduction of uniform criteria and normative rules having long-term validity, the reliable steering of structural changes, and the introduction of full economic accountability [uplny chozrascot] and self-financing in economic organizations all hinge on restructuring.

We want to introduce the new system of management and the new economic mechanism so that it can not only influence the work on the Ninth 5-Year Plan, but above all so that it can contribute to the fulfillment of the tasks of the current 5-year plan. A contribution to this should also be made by the experiment on enhancing the economic organizations' independence and their responsibility for their efficient development. Two economic production units were singled out to become involved in this experiment effective 1 January. Additional economic production units and enterprises are to be involved in the experiment as of 1 April and 1 July. We would also like to see enterprises from Prague in this lineup.

However, the experiment is not something that concerns just the enterprises that have assumed this task or that will assume it. It concerns the relevant ministries that must think as little as possible about ways of putting as many obstacles and restrictions as possible in the way of enterprises; on the contrary, they must establish conditions — even within the framework of the existing management system — that permit the testing of many elements that will only later be introduced and applied on a wide scale.

The 5-Year Plan Remains a Law [subhead]

When we speak about restructuring the management system today this should definitely not mean we are deferring the quest for efficiency and intensification up to the time when this system becomes fully operational. We must establish favorable conditions for its new functioning by, among other things, fully and consistently ensuring the fulfillment of the substantive tasks of this 5-year plan. This is the main and most important thing. We cannot voice satisfaction with its course so far. Neither last year's results nor experiences from drawing up and implementing this year's plan warrant satisfaction. What we have in mind is the fulfillment of the qualitative targets and tasks of the plan. The fact that these tendencies persist is grave.

The concepts and programs of measures for raising production's technical standards and quality and for accelerating the acceleration process by way of modernizing and rebuilding the production base have not been sufficiently elaborated and specified. This could threaten the realization of our intentions for the Eighth 5-Year Plan, above all in enchancing the export ability of Czechoslovak production, satisfying the needs of the domestic market, and so forth.

I would like to say here quite unambiguously that nobody may count on our allowing doubt to be cast on the basic goals and tasks of this 5-year period.

Significance of Cadre Work [subhead]

A large group of questions addressed to us concern various aspects of cadre problems. This is because most things in this period depend on the management cadres. It is upon them that the highest demands are placed and will be placed; it is primarily from them that we expect active assistance in ensuring the tasks that follow from management restructuring.

We often hear criticism of certain senior staff. Some people say that someone is too young and thus inexperienced; others say that someone ought to retire and make room for a younger person. One person is rebuked for one reason, another for something else. Whenever this criticism or these charges are significant objective replacements are made. But let us be honest: Should we stage a witchhunt among executive staff just because we are not succeeding everywhere, in the economy and elsewhere, as we would like or as we need to? Are we today capable of correctly assessing the extent to which possible failures are the result of the subjective mistakes of a senior staff member and the extent to which they are the result of circumstances beyond his control?

Once the new management principles are introduced in practice it will be much simpler to make such an evaluation of individual executive cadres. Then everyone will have to show very quickly what he is, what he knows, and what kind of results the collective working under him can achieve.

Even today, the main criterion in evaluating cadres is their attitude toward this objective and most inevitable process of change -- and not merely an attitude of verbal agreement, but also of active and determined participation in realizing the changes, something which must also be manifested in the results achieved.

This is a most important touchstone, according to which we will appraise every person. Will there be cadre changes? There certainly will, above all in places where people fail to understand the new tasks and are averse to becoming actively involved in promoting them. Cadre changes will understandably also take place in places where people are incapable of coping with the new situation, despite every effort.

Cadre exchange is naturally both inevitable and necessary, and this will be carried out as part of the everyday work, as we go along. True, at the same time we must have people amongst us whom we can select; we must have qualified replacements. We know we have certain shortcomings, particularly in training cadre reserves. Apart from everything else, the reason for this is that the current management system and its mechanism do not always allow people to make their capabilities sufficiently clear, together with the qualities that are buried within them. We expect the management changes now being prepared to establish a totally different situation; we expect the new conditions to stimulate every person to prove what he knows and what he can do, to show his training and to manifest his good sides and qualities.

We are counting on the absolute majority of our present management staff entering our joint struggle in the conviction that the things we are striving for are both right and necessary. That is also why we expect them to do all that is necessary to assert and fully implement the restructuring policy.

At the same time, we must see that professionalism, professional training and the ability to direct and organize, begin to play a more prominent role. This applies to a person's familiarity with his work sector, his endeavor to be constantly up to his profession's requirements, and determination to follow developments in the sphere of his activities, not only within the national, but also within the world framework. This is essential for those who do not want to stay average and, so to speak, play second fiddle.

Of course, this is not the only prerequisite for good, successful management activity. The political and moral profile, and the skill in organizing people and their work, convincing them, prevailing upon them to do their utmost, in brief the art of management, is no less important.

Of course, I want to point out one new circumstance: Undoubtedly, a great role will also be played by the working collectives in the selection of executive staff, under conditions in which the organizations have greater independence, total economic accountability [khozraschet], and self-financing. We expect this to make selection more objective than it is now, because it will not be made by viewing things from above. The executive's abilities will be attested to by the very working collective which he directs, and also by the results which the collective is achieving.

It must be clear from the start that this will put increasing demands on the cadre work of party agencies and organizations. They will certainly find things more complicated; and, in view of the totally new conditions, they will obviously also have to find new ways of selecting and placing cadres. Nobody may count on the party relaxing its positions, for the simple reason that cadre policy and cadre work are the most important aspects of implementing the party's leading role.

Utilizing the People's Creative Energy [subhead]

Recently one term has been very frequently used — the term "human factor," in other words man's role, status, rights, and responsibilities. The growing significance and role of this factor are being discussed, and this is no coincidence. One need only to think carefully and grasp how much man's innermost inclinations have changed compared, let us say, to 20 years ago, and realize how much man has at his disposal today, both with regard to nature and other people and society.

Today's socially mature person has a far greater working potential; live work is incomparably more efficient than in the past, since it is enhanced by the considerable growth of technical equipment. In fact, in certain highly mechanized work places the value of an employee's technical equipment is several times higher than the wages he can earn there throughout his whole working life. And it is not merely this part of the matter. One could gather further proof of the role played by an employee in the specialization and cooperation of work, and so forth.

At the same time the improvement of educational standards, general cultural standards, the state of information, and man's self-realization is helping to make the people's interests and needs more complicated. The longing to be more independent in work and to participate actively in decision-making is growing, as is the people's interest in fuller utilization of their own creative potential.

It is an absolutely practical matter to speak of the growing significance and role of man, the process of implementing the creative energy of the masses, the conditions we already have and those we still have to create to set the human factor in motion more quickly.

Naturally, there are many roads leading to the maximum implementation of the people's creative energy, beginning with the development of socialist democracy and ending with the level of interhuman relations.

The CPSU Central Committee's January session focused attention particularly on the issues of further developing socialist democracy and the people's self-administration. The 17th congress also formulated a similar task for our party and society. For us it is also true that the successful achievement of all the changes we want to carry out primarily depends on how intensely and how actively the people participate in this. On the other hand, by developing socialist democracy we create reliable guarantees against the repetition of past mistakes.

Our party leadership is devoting extraordinary attention to these issues. We are pondering directions and specific ways to implement these socialist principles in our country and make further progress in all aspects of democratization.

I have already mentioned that, in connection with the economic reform, we consider it necessary to take the path of broader economic democratization, so as to be able to overcome the barriers in people's attitudes to socialist ownership more efficiently than to date. To achieve this we must ensure the people are able to influence the affairs of their plant or enterprise to a greater extent and participate in decision-making.

Our older comrades will surely recall our country's enterprise and factory councils from 1945 up to about 1950. These were bodies which represented the interests of an entire enterprise collective. Perhaps it would be quite useful to examine the experience acquired in those times, with a view to discovering whether we could make use of it today.

Our party's leadership has issued an instruction to also review -- in connection with restructuring our economic mechanism -- issues related to the functions of the trade unions and their practical activities under the new conditions which will emerge in our country. Surely we have many things to think about, many things we must change and improve. Actually, all this was also mentioned by Comrade Gorbachev last week at the congress of Soviet trade unions.

Of course, we also have other spheres of social life which the process of further democratization cannot bypass.

Without Closed Doors [subhead]

This applies, for instance, to issues of the broadest possible public discussion of things, and this is connected to expanding and improving the flow of information [informovanost] to our entire public. At the same time this is a condition for efficient democratic control from below, which the people execute not only with regard to their elected representatives in the bodies of representatives, but which should in fact find no closed doors to anything that happens in this state and this society. Surely all of us are and must be interested in such democratic practices.

Any further step in this direction will mean that the state agencies and their representatives, the economic agencies, and in general all kinds of social and political agencies -- naturally including the appropriate apparatuses -- will have to weigh their decisions far more carefully than before, when (as today) they used to be made behind closed doors. Their activity will be more visible, as will be the work of the executive staff directing them; consequently, the demands on their selection will increase. Of course, this could be unpleasant for some people but surely it would be beneficial in general.

Or let us take the question of the political system, of the functioning of our National Front, of the activities and influences of social organizations. The 17th CPCZ Congress reminded us of our duty -- and also our endeavor -- to continue developing these supreme institutions and agencies of our socialist democracy, so as to make the way they operate correspond to the changing and increasingly demanding conditions and needs.

Here, too, we must ponder such issues as, for instance, how to make parliament's control function and the general interlinking of mutual control throughout the political system more profound. We are certainly interested in increasing the participation of other National Front political parties and social organizations in the creation of policy provided they take a greater share of the responsibility for its realization upon themselves.

And then we have issues concerning the method of elections to bodies of representatives; issues concerning the public's greater influence on the selection of executive staff on certain management levels and in certain spheres, and many other issues raised by the times and which we are duty-bound to resolve in a timely and serious manner. The Central Committee Presidium has charged the comrades concerned with specific tasks with regard to this.

I repeat: It is not and cannot be a matter of changing our principles; we are concerned here with the methods used for applying them in practice. It must be our concern to make our socialist democracy broader in every respect, and also better, more humane and, more efficient than the bourgeois democracy so greatly lauded by the West.

We also cannot ignore our Communist Party when pondering issues of improving socialism and its function in all social spheres. It is the leading force in society, and thus, it stands at the head of the broad stream of transformations we are striving to achieve. It is only logical that it also must improve itself, and that all its activity, its directing and organizational functions, and its influence on the whole of social development must correspond to current and future demands and requirements.

We Communists, in particular, must realize that in the face of the new tasks, we will not be able to make do with habitual processes, forms, and methods of work, which would have been successful in the past, but which are already losing their effectiveness today.

The CPCZ Central Committee Presidium has dealt with these issues, and it has decided to submit the entire complex of these problems to a deep analysis and to comprehensively revise it. In this the basic viewpoint is to find out how best to ensure the most efficient implementation of the party's leading role under the new conditions. Naturally, it is not merely a question of primary organizations, but also of higher party bodies.

Obviously, the party and its agencies must respect the growing democracy and represent its guarantee; at the same time, they cannot duplicate the state and economic management agencies, and take over their responsibilities by adopting their own decisions. Under the conditions, in which there is far greater economic independence in enterprises, it will be essential to find new ways of implementing the party's leading role both through primary organizations and through the higher party agencies.

This will be essential also because a number of new conflicts will emerge, particularly in the distribution of working results or in the realization of the social program of an enterprise, or due to a discrepancy between the short- and long-term plans of an enterprise. At the same time it will be necessary for party organizations to assert themselves not only in the management staffs of enterprises, but also, and particulary, in working collectives. Things will be simply more complicated and more difficult than today.

The demands placed on the Communists working in these enterprises and organizations will undoubtedly increase, because a lot of what the party agencies or their appratuses are today settling directly with the leading staff of these working places will have to be ensured in the future through Communists and party organizations operating on the spot.

We must also ponder other issues of our party's activity, organization, and operation. I have in mind, for instance, relations with elected agencies or their apparatuses; or the entire broad circle of problems concerning intraparty democracy, criticism, and self-criticism; or the system of selecting elected agencies and functionaries; and a numer of other isues.

The demands placed on the functionaries' aktiv and on the party apparatus itself are increasingly coming to the fore. This applies, on the one hand, to the question of their qualification and competence, of their ability to see things in all their complicated and complex relationships; and on the other hand, to their skill in handling people, in convincing them, and in winning them over to new things.

In this context I would like us to recall what Comrade Gottwald said on this issue on quite a few occasions after Victorious February [1948]. He said at the CPCZ Central Committee session in June 1948: "The basic method of leading the masses is neither a dictatorship, nor an administrative pressure; it consists of convincing and winning people. We must realize this particularly now, when all power is in our hands. Many of our comrades believe they need not look to their right or left any longer, or take things into consideration, and that they can play king, or prince, or even 'princeling' in places where the party has placed them. But this would be the best way to quickly squander or lose the capital which we have accumulated. This is a most serious matter, and I want to ask our leading comrades, even those holding the most important positions, to ponder what a principled significance this has. To lead the masses does not mean to commandeer them -- it means to convince and win them". [paragraph continues]

"Comrades, if there is a danger threatening the party, if there is anything that can harm our cause, it is this. This can harm the party most. Were we not to see this in time, were we to fail to remove such phenomena of commandeering and dictatorship in time, were we not to remove in time any and all undemocratic, un-communist behavior, this could become fatal for us."

I do not know what you feel when you hear these words; but deep inside me I feel they are most damnedly topical. We are doing a great thing and we are building a great edifice, but all this greatness does not entitle us to forget the so-called small things with regard to people because in matters concerning man and his worries and torments, nothing is so small that we can ignore it.

I want to highlight this; this constitutes the moral profile of every party member, and particularly the party functionary. Here the mathematics is very simple. If we want to raise the entire society to a higher moral level, then who will be an example if not we Communists, especially our functionaries on all levels? Who else should be as blameless as these people in particular, people who are so attentively watched by their fellow-citizens and also (and we must see this, too) meticulously appraised.

That is also why our party leadership is embarking on a far sharper course in this respect, in the interests on a far sharper course in this respect, in the interests of waging a more effective fight against the abuse of official position and function, against all kinds of favoritism and other forms of violations of socialist morality, and frequently also of law. It has been reiterated that these laws, and also other social norms, must apply to everybody equally and that nobody has the right to demand an exception for himself -- we have only one kind of morality.

In the interests of consolidating the party's authority in public it will certainly be correct to consistently continue the practice of the party assessing very severely those party members and functionaries who have committed this kind of offense; and of publishing its standpoint and the decision taken on these people, so as to show its effort to keep the party ranks clean. The consequences of such practices cannot harm the party's credit, as some people seem to think, but only strengthen it.

And the party needs this credit, this trust on the part of the rest of our public. Because they are not given once and for all, but must be won again and again. This, of course, presumes a thorough knowledge of the people's views and of the moods of the public. However, the art of listening to the masses -- which Lenin used to mention so often -- does not mean that one must pay them compliments, bow down to them, or agree with every single voice out of their midst. People can stand even bitter truth only if they feel they are being told everything outright, if they feel that our intentions are sincere and that we are not here to rule the people, but to serve them; and we must tell this truth, realistically see the situation as it is, and purposefully search for an escape from the situation.

We should have more confidence in the people. Their criticism of shortcomings and of the difficulties of everyday life is, in the absolute majority of instances, quite justified criticism. People want these problems to be eliminated, they want things to improve. This, surely, is a positive approach since they do not hesitate to lend a hand themselves, as many examples prove.

Our country's political, and generally public, activity is considerable; this is due to the democratic traditions of our peoples, and to the basic agreement with which the overwhelming majority of the public regards the historical road we are taking. That is why the further progress of democratization being promoted by our party is based on trust in the people and in their political and civic maturity.

This basic attitude should also affect such an important sphere as cadre work. Understandably, our party will still have the main say in the selection and placement of cadres. However, we must also take into account -- far more than we did in the past -- that a person possessing one of our party membership cards is not necessarily the only reliable candidate for an executive function. You yourselves know to what this can lead.

On the other hand, this need not mean at all that we will abandon the viewpoint of political reliability and maturity. Nevertheless, at the same time we must ask whether we should identify these features exclusively, or almost exclusively, with membership of the Communist Party, or whether we should not place greater value on a person's overall civic profile, and thus make it possible for non-Communists, too, to assume executive functions in the various spheres of social life -- naturally, only such non-Communists who meet the professional and other requirements and who enjoy full trust and authority among the people surrounding them because of their profession and their unquestionable civic-moral profile.

This, comrades, is what I wanted to say about certain issues on which we now focus our attention and interest. We proceed from the fact that if we are to change society -- and in quite a number of instances we must do so in a far-reaching way -- then we must in the first place change the work of our party itself and the work of its agencies and cadres. In brief, in the effort to achieve a substantial turn in the efficiency of party work and have the party fulfill its leading role in the state and in society, we must review everything we are doing today, and how we are doing it; this is the view held by the CPCZ Central Committee Presidium. We must develop the experience that is good and we must resolutely discard and replace everything that has become ineffective and unsuitable today. We must do everything to raise the Communist Party to the level of current tasks and demands, so as to enable it to play its leading role in the state and in society totally and to the fullest effect, for the benefit of socialism, for the benefit of our beautiful fatherland -- the CSSR.

The struggle to achieve a higher quality of socialism and emphasize its merits in our country, has already begun; we must not lose a single day. The Communists must again march at the head, as they have always done when the party had to deal with the greatest, most revolutionary transformations of society. The deed is on the day's agenda; and the measures of the deeds of each one of us is also the measure of our responsibility, will and readiness to contribute to this great cause to the best of our power and ability.

JANIK RECEIVES CPSU DELEGATION IN BRATISLAVA

LD251919 Bratislava Domestic Service in Slovak 1130 GMT 25 Mar 87

[Text] Jan Janik, member of the Presidium and secretary of the CPSL Central Committee, received a delegation of the CPSU Central Committee led by Comrade Aleksandr Gudkov today in Bratislava. They exchanged experiences in party work in agriculture and other areas of the agro-industrial complex.

OBSERVERS IN GDR FOR USSR-GDR MILITARY EXERCISES

Arrive 25 Mar

LD251149 Hamburg DPA in German 1124 GMT 25 Mar 87

[Excerpts] Berlin (DPA) — Numerous observers to the troop exercises of 23,500 USSR and 1,500 GDR soldiers which began on 23 March arrived in the GDR this morning. [passage omitted]

It is the first time in the history of the two German states that officers in uniform from the Bundeswehr and the National People's Army are moving about GDR territory together. [passage omitted]

ADN Lists Observing Countries

LD251313 East Berlin ADN International Service in German 1136 GMT 25 Mar 87

[Text] Berlin, 25 Mar (ADN) — The joint troop exercise of the Group of Soviet Forces in Germany and the National People's Army of the GDR (NVA) in the region of Gardelegen, Magdeburg, Wittenberg, Luebben, and Brandenburg continued today. The exercise is being led by Army General Valeriy Belikov, commander in chief of the Group of Soviet Forces in Germany. Taking part are observers from the CSCE signatory states of Belgium, Bulgaria, the FRG, the CSSR, Denmark, Finland, France, Great Britain, Italy, Yugoslavia, Canada, the Netherlands, Norway, Austria, Poland, Sweden, Switzerland, Spain, Hungary, and the United States. In the name of the GDR Government and on behalf of Army General Heinz Kessler, minister of national defense, Lieutenant General Gerhard Kunze, deputy chief of the Main Staff of the NVA, welcomed the guests in Potsdam.

Lt Gen Kunze remarked that the positive result of the Stockholm Conference on Confidence-Building Measures, Security and Disarmament in Europe has strengthened the GDR in consistently realizing the policy based on peace which has been jointly agreed upon by the Warsaw Pact states.

"By means of the strict realization of confidence-building measures and security, we shall make an active contribution to the attainment of fundamental change from confrontation to detente and disarmament in Europe," he said. With the successful conclusion of the Stockholm conference, an important step has been taken toward reducing the danger of the outbreak of war. The GDR, the USSR, and the other participant states of the Warsaw Pact are convinced that the potential of confidence can be maintained and effectively expanded on the basis of the Stockholm document. The observers can follow, during the exercise, how this concern is being realized in practice by the GDR and the USSR.

Following the welcoming ceremony at the Interhotel, the deputy chief of the main staff of the NVA briefed the guests, who had previously received their documents, on the plan for observation of the troop exercise and on organizational matters.

Taking part in the exercise are up to 25,000 members of the two fraternal armies. The aim of the exercise is to perfect the state of training of the troops.

Training Area, Positions Viewed

LD260016 East Berlin ADN International Service in German 1834 GMT 25 Mar 87

[Excerpts] Berlin, 25 Mar 87 ADN -- The joint troop exercise of the Group of Soviet Forces in Germany (GSFG) and the National People's Army of the GDR (NVA) in the region of Gardelegen, Magdeburg, Wittenberg, Luebben, and Brandenburg continued today. [passage omitted]

This afternoon the representatives of the CSCE states visited the Magdeburg troop training area, where they were welcomed by the deputy commander-in-chief of the GSFG, Lieutenant General Valentin Sadovnikov, and were briefed on the situation and the tasks of the participating troops. The observers were then able, among other things, to inspect an observation post and a company strongpoint, and talk with members of the GSFG. Prior to this, the Soviet motorized infantry had moved into a battalion defense area.

HAGER RECEIVES PRC PARTY COLLEGE DELEGATION

AU241156 East Berlin NEUES DEUTSCHLAND in German 21-22 Mar 87 p 2

[Text] East Berlin (ADN) -- On Friday [20 March] Kurt Hager, member of the Politburo and secretary of the SED Central Committee, received a delegation of the party college attached to the CPC Central Committee, which is in the GDR on the invitation of the "Karl Marx" Party College of the SED Central Committee. During the friendly talk Kurt Hager briefed his guests about the results in implementing the decisions of the 11th SED Congress and about topical questions of the GDR's domestic and foreign policy. He explained the SED's experiences in shaping the developed socialist society and in the overall strengthening of socialism in the GDR.

He stressed the extraordinary importance of ideological party work and of the Marxist-Leninist training and education of the party cadres, who are faced with new tasks in implementing the economic strategy of the 11th SED Congress and in effectively linking the scientific-technological revolution with the advantages of the socialist society.

Kurt Hager explained the manifold initiatives of the SED to improve the international situation and to continue the active dialogue with all forces that are interested in peace in order to prevent a nuclear inferno. The elimination of the intermediate-range missiles in particular opens up the great chance to prevent the nuclear threat in Europe and to achieve concrete results in the field of arms control and disarmament.

In the course of the talk it was stressed that the significant visit of Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, to the PRC has opened up a new stage in the development of the relations between the two parties and states. The interlocutors expressed their determination to further deepen the cooperation and exchange of experiences.

The Chinese comrades paid tribute to the results of the exchange of experiences at the "Karl Marx" Party College of the SED Central Committee, in the SED bezirk leaderships of Erfurt and Suhl, and when visiting enterprises and cooperatives.

The talk was attended by Kurt Tiedke, member of the SED Central Committee and rector of the "Karl Marx" Party College of the SED Central Committee. Also present was Ma Xusheng, PRC ambassador to the GDR.

GDR FRIENDSHIP TREATIES DISCUSSED 17 MAR

AU170951 East Berlin HORIZONT in German Nr 3/1987 pp 3-4

[Article by Herbert Krolikowski, SED Central Committee member, state secretary, and first deputy minister of foreign affairs: "Friendship Treaties Have Proved Their Worth in Life; Together With the Fraternal Countries for a Peaceful World"]

[Text] Since the GDR's founding, it has been the unshakable task of its foreign policy to universally cultivate and further deepen fraternal relations with the other socialist countries, and thus, keep these relations up to date in order to meet the requirements of the times. This was again confirmed by the 11th SED congress and the subsequent Central Committee sessions. In the Central Committee report to the 11th SED Congress, Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, outlined the purposeful expansion of the fraternal alliance with the Soviet Union and the other socialist countries, and the comprehensive contribution to the overall strengthening and increase of the power and international appeal of socialism as the main direction of the SED's and the republic's foreign policy. In this respect, the treaties on friendship, cooperation, and mutual assistance concluded with other socialist countries, and the treaties on friendship and cooperation with the states that do not belong to the Warsaw Pact, are a firm basis and an effective instrument.

This year we celebrate the anniversary of most of these treaties. It is 10 years since the conclusion of the second generation of such state treaties with the Hungarian People's Republic, the Mongolian People's Republic, the PPR, the People's Republic of Bulgaria, and the CSSR. The Treaty on Friendship, Cooperation and Mutual Assistance Between the GDR and the SR of Romania is 15 years old. It was 10 years ago that a treaty on friendship and cooperation weas signed for the first time with the SRV, and 5 years since such a treaty was signed with the Lao People's Democratic Republic.

All these treaties are a funamental and firm part of the GDR's wide-ranging international relations. They document our country's firm roots in the community of socialist states. Together with the Treaty on Friendship, Cooperation and Mutual Assistance With the USSR of 7 October 1975, and the friendship treaties with the PRK, the Republic of Cuba, and the DPRK, the state treaties, whose anniversaries we are commemorating, form the contractual basis for the steady development of friendly relations and close, manifold cooperation with the other socialist countries. They are an inseparable component in the comprehensive bilteral and multilateral system of relations of friendship and cooperation — and also of mutual assistance with the Warsaw Pact States and between the socialist states.

The goals of all treaties are the same, regardless of the specific date they were concluded and, of course, regardless of the specifics in some treaty provision or other. They focus on the desire to steadily deepen the fraternal friendship and cooperation of the GDR and the other treaty partners for mutual benefit, to strengthen the entire socialist community, and to consolidate peace and security. To this end, the treaties provide a broad framework. They form the contractual foundation for the concrete shaping of cooperation in politics, economy, science, culture, education, sports, tourism, national defense, and other areas well into the 21st century. Relations in all these have experienced a visible development on the basis of the friendship treaties.

The motivation is the close fraternal relations between the communist and workers parties in our countries.

In particular the meetings of Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, with the leading representatives of the fraternal parties again and again give decisive stimuli for further deepening bilateral cooperation and thus for giving life to the friendship treaties. Of great importance are the resulting initiatives for seminars, conferences, direct relations between party organizations, and for comprehensive exchange of experiences at all levels.

New Kind of Treaties Point to the Future [subhead]

The friendship treaties signed by the GDR with the socialist states are a new kind of treaty. The basic principles by which the treaty partners are guided in their relations are the respect for state sovereignty and independence, for territorial integrity, equal rights, and noninterference in domestic affairs, as well as mutual benefit, mutual assistance, and proletarian or socialist internationalism. Practice shows that the vitality of the state treaties, their effectiveness as a factor of unity and increasingly close togetherness of the socialist countries are essentially based on the fact that these principles are consistently being implemented by the treaty partners in all spheres of cooperation.

With the friendship treaties, the GDR and its treaty partners have important instruments to meet the steadily increasing and forthcoming requirements in the building of socialism. In the individual treaties the concrete tasks resulting from the shaping of the developed socialist society in the majority of the European socialist countries are taken into account in the same way as the problems of the transition period, of the development of socialism's bases in the socialist states outside Europe.

It is characteristic of all treaties that they stipulate, not only the level already achieved in cooperation, but are directed toward the future, toward new, upcoming things, and are the basis for the implementation of these things. The treaties' concern to promote the qualitative deepening of the relations, that is, to further increase their effectiveness in all fields, is a priority matter. Thus, the friendship treaties correspond fully to the high demands of the stage of development currently reached in individual socialist states and the socialist community as a whole. They provide much leeway for a dynamic future cooperation between the treaty partners. It is one of the main objectives of the treaties to increasingly unite the intellectual, economic, and scientific-technological potentials of the fraternal countries for the benefit of all sides. The efforts directed at this are not separately undertaken from the manifold processes of multilateral cooperation within the framework of the Warsaw Pact and CEMA, but are integrated into these processes and complement and promote them.

Last but not least, the friendship treaties are an indispensable factor for the coming together of the peoples of the GDR and the other fraternal countries. They are the basis of manifold communication between the citizens of our states. This is also expressed in the increasingly great exchange of experiences concerning the building and shaping of the developed socialist society.

Basis of the Collective Defense Alliance [subhead]

Of particular importance for the overall strengthening of the GDR and its alliance partners in Europe, for deepening cooperation between them, and for safeguarding peace are the treaties on friendship, cooperation, and mutual assistance. They are a necessary and effective supplement to the Warsaw Pact, which was concluded in 1955 and extended in 1985. As a whole, they are the contractual basis of the collective defense alliance of the European socialist states.

They prove to be an important factor in the reliable protection of our states' socialist achievements and of the consolidation of peace in Europe and all over the world. In the future, too, everything necessary for the safety of its members will be done within the framework of this fraternal alliance. The GDR will continue to reliably fulfill its obligations. The approximate military-strategic balance achieved, thanks to the achievements of the USSR, is of historic value in the struggle for peace and security. The state treaties clearly say: The fraternal socialist countries are in favor of peaceful coexistence between states of different social systems as the basis of fruitful and mutually beneficial cooperation on the European continent.

Changes in Domestic and Foreign Policy Conditions [subhead]

Friendship treaties with the European fraternal countries were concluded for the first time in the period between 1964 and 1972. Decisively inspired and promoted by the GDR and the fraternal countries, the cooperation between them reached a new, higher level. This was linked with new progress in the shaping of socialism in the European socialist countries, and the transition of a number of these countries to building the developed socialist society. Furthermore, positive tendencies — decisively influenced and characterized by the peace policy of socialism — became more and more visible in international development. During this period the Soviet Union and the United States concluded fundamental treaties in the area of arms limitation. Foreign policy conditions in Europe and in particular in the GDR had changed, too. In a number of important treaties between socialist countries and the FRG, as well as in the Quadripartite Agreement on West Berlin, the borders and realities developed in Europe as a result of World War II were recorded. Supported by the Soviet Union, the other fraternal socialist countries, and many friends all over the world, the GDR was able to achieve diplomatic recognition on a wide scale.

All this formed the framework for the renewal of a number of friendship treaties. This process started on 7 October 1975 with the signing of the Treaty on Friendship, Cooperation, and Mutual Assistance with the USSR. Ten years ago, in 1977, the treaties with Hungary, Poland, Bulgaria, and the CSSR were signed. This second generation of friendship treaties has obviously proved itself in everyday living in our community. They were the basis for hundreds of other concrete agreements and contracts on economic as well as cultural and scientific-technological relations concluded between the GDR and its treaty partners. The implementation of these agreements results, for instance, in the continuous increase in the volume of the GDR's trade with the socialist countries and in this area, there is a steady qualitative change. Today, about two thirds of our foreign trade is conducted with the socialist states. The 11th Party Congress decided that this will also be the case in the future, while further absolute growth will be experienced. The proportion of goods produced on the basis of cooperation and specialization agreements will rise.

In particular under the increasingly difficult foreign policy and foreign trade relations at the beginning of the 1980's, the friendship treaties proved to be a reliable basis for solving highly complicated problems. Especially the long-term exchange of machinery and equipment and scientific-technological cooperation with the friendly countries were and are vital for the GDR. Deepening cooperation in the most varied areas results in the people's getting to know each other better and better. Many direct contacts between enterprises and institutions and numerous other working contacts are an integral part of our cooperation, and promote the further coming together of the friendly peoples and states. This is reflected by, among other things, the socialist competition between work collectives of different countries. Mutual days of culture enrich our peoples' intellectual life. Innumerable personal contacts and friendships have been established. In 1986 alone, about 8.5 million GDR citizens traveled to European fraternal countries.

Productive Cooperation With Nonsocialist Countries in Asia [subhead]

It is the GDR's supreme concern to purposefully develop cooperation with all socialist countries. In the Central Committee report to the 11th SED Congress, Erich Honecker said in this connection: "Our relations with the Mongolian People's Republic, the SRV, the Lao People's Democratic Republic, and the DPRK are developing continuously on the basis of the treaties on friendship and cooperation. Here mutual benefit is linked increasingly with our solidarity to strengthen the positions of socialism in Asia." Like the friendship treaty with the DPRK, these treaties form the starting points for the overall shaping of our bilateral relations with these socialist states. The implementation of these treaties proves to be an important factor in the cohesion of all socialist countries, and in strengthening socialism and its authority, also in this region, that is so important for the safeguarding of peace.

In a relatively short time, extensive treaty systems were created with the friendly countries in Asia which are being constantly developed in line with the specific needs of our states, and with the mutual requirements derived from these needs. The number of examples of extensive joint activities is growing. Thus, the GDR has participated for years in the development of ore deposits in the Mongolian People's Republic. Cooperation in tropical agriculture is developing with Vietnam and Laos. The consolidation of economic and scientific-technical cooperation for mutual benefit has been agreed upon in the treaties with the non-European fraternal countries, as it has been agreed upon with the European fraternal countries. At the same time, the GDR's solidarity assistance and support occupies a solid place in the treaties with these states.

To Develop a New Quality in the Potentials of Socialism [subhead]

The fundamental political and international legal documents agreed upon with the socialist countries form an important basis for the accomplishment of the strategic-social tasks set forth by the 11th SED Congress, and by the party congresses of the other fraternal parties. The consistent and effective implementation of the treaties especially helps to create the proper prerequisites for developing a new quality in the economic, scientific-technical and political potentials of socialism.

This aspect of cooperation is moving more and more strongly to the center of the relations between the GDR and the other socialist countries, as well as the socialist community as a whole. In the friendship treaties the partners pledge to expand production cooperation and specialization, to coordinate forward-looking measures in the economy, science, and technology and to enhance the effectiveness of the social production. It has been stipulated as well, that national economic plans be coordinated on a long-term basis. All this is being backed up by a great number of treaties and government agreements between ministries in the most varied fields.

The stipulations of the friendship treaties foster a close, mutually fruitful, bilateral and multilateral cooperation. The sides pledge to promote both these forms. This organic interconnection between bilateral and multilateral cooperation is primarily reflected in the CEMA comprehensive program for scientific-technical progress of 1985. It is socialism's response to the challenges of the present stage of the scientific-technical revolution. The tasks set forth in the program constitute one of the long-term crucial aspects of the GDR's cooperation with the other CEMA states.

The bilateral agreements on economic and scientific-technical cooperation up to the year 2000 are closely linked with this and very important for bilateral and multilateral cooperation. Such programs have been contracted with most socialist countries or are now being prepared. [paragraph continues]

The purposeful fulfillment of the tasks accorded on this basis and related to developing and applying top technologies and most modern products at the same time serves to implement the CEMA comprehensive program for scientific-technical progress. These programs agree fully with our party's economic strategy, which is oriented toward high technology and peak performance. Important factors for the development of the national economies of the GDR and the other socialist countries have been coordinated with these documents on a long-term basis. An entire system of economic agreements gives the partners a reliable basis for further strengthening their economic potential and for developing both imports and exports continuously and in a planned manner.

To Effectively Help Solve the Main Issue of Our Time [subhead]

All the friendship treaties concluded between the GDR and socialist countries are determined by the resolve of the partners to decisively contribute, with their cooperation, to solving the main issue of our time -- the preservation of peace. It is in this spirit that pledges of mutual assistance, renewed in the treaties with the European fraternal countries, operate. Together with the stipulation contained in the Warsaw Pact, they constitute an unusually important element in the security of the treaty signatories, of safeguarding strategic military parity and thus, of safeguarding peace in Europe and in the world at large.

The treaties of friendship, cooperation and mutual assistance with the member states of the socialist defense alliance, as well as the treaties of friendship and cooperation with other socialist states are proving their worth as the vital elements of peace, of coordinating and uniting the efforts of the socialist countries in the struggle for the preservation of peace on our globe. These treaties exert a calming effect on the situation in various regions of the world, and visibly impose restraint on forces that are hostile to detente in these areas.

This applies particularly to Europe. All state treaties contain an affirmation of the inviolability of the borders that have emerged as a result of two world wars and of the postwar period, including the border between the GDR and FRG. The treaty partners pledge to be guided by the quadripartite agreement in their relations to (West) Berlin. The duty of the socialist states to pursue a foreign policy of peace is being affirmed in the friendship treaties in a manner that is binding under international law. The principles of peaceful coexistence, the implementaion of the CSCE Final Act, the struggle for detente and cooperation in Europe and the transition to disarmament are laid down as constant factors of socialist foreign policy in these treaties, as is the support for the peoples in the struggle against colonialism and neocolonialism, against any manifestations of militarism and racism.

Closer Foreign Policy Collaboration Among Fraternal Countries [subhead]

In the treaties, the allies agreed to consult with each other on international problems and to cooperate accordingly. This has made it possible to expand the comprehensive bilateral and multilateral consultation mechanism, and to improve its content.

It is precisely now that the problem of war and peace has reached an entirely new level, that the friendship treaties clearly contribute to the close coordinated action of the fraternal countries in the struggle to avert a nuclear war, and contribute to effective measures for arms limitations and disarmament, and improvement in the struggle to secure peace. [paragraph continues]

The comprehensive joint peace initiatives of the Warsaw Pact member-states, particularly those submitted in the past 2 years, and the great number of proposals made by the other socialist states in Asia and Latin America, prove how serious the GDR and its treaty partners are about the implementation of precisely this part of the friendship treaties. These stipulations in the friendship treaties are in line with the development of a new orientation in international relations, with a new approach to the main issue of our time, which takes into account the realities of the nuclear space age. The regional peace initiatives submitted by the GDR and its partners are fully in line with the obligation set out in the treaties to do everything possible to banish war from peoples' lives forever. This applies to the proposals made by the GDR and the CSSR for the establishment of a zone free from chemcial weapons in the Balkans submitted by Romania and Bulgaria; the specific USSR program for safeguarding peace, security, and cooperation in the Asian-Pacific region; the initiative of the Mongolian People's Republic for concluding a convention on the mutual nonaggression nonuse of violence between the Asian states and those in the Pacific region; the initiative of the SRV, the People's Democratic Republic of Laos, and the People's Republic of Kampuchea for transforming Southeast Asia into a zone of peace, friendship and cooperation. The GDR supports all these regional proposals of the fraternal countries, just as they render unreserved support to the GDR's initiatives.

In agreement with the stipulations of the friendship treaties, the 11th SED Congress decided to carry on the principled and successful line of development and deepening of the fraternal relations with all socialist countries as an irreversible constant of the GDR's foreign policy. As a result, our republic will, in the future, scrupulously fulfill its duties as set out in the state treaties, fulfill them consistently, enterprisingly and in the firm awareness of its responsibility for the preservation of peace and of the strengthening of the socialist community and of the world of socialism.

In his speech to the kreis first secretaries, Erich Honecker reaffirmed: "Given the complex international situation, it becomes even clearer how important the development and expansion of relations among all countries of the socialist world system are. This corresponds to the interests of every one of them, serves to consolidate the positions of socialism on a worldwide scale and to preserve peace". It is in this spirit that the multifaceted opportunities provided by the state treaties will be tapped, through joint efforts, in an even more comprehensive manner and will in the future also yield abundant fruit.

BULGARIAN PREMIER ARRIVES, MET BY LAZAR

LD260939 Budapest Domestic Service in Hungarian 0900 GMT 26 Mar 87

[Text] The head of the Bulgarian Government has arrived in our country. Georgi Atanasov was met at Ferihegy Airport by Premier Gyorgy Lazar, Deputy Premier Jozsef Marjai, and Foreign Minister Peter Varkonyi.

In connection with the visit, the daily paper of the Bulgarian Communist Party says: In the present international situation, the unified activity of the socialist states is of greater significance than ever before. It recalled that the process of further renewal signifies further connecting links between the two countries. This also has an effect in updating economic, scientific-technical, and cultural cooperation.

COOPERATION OF SLOVENIA MINORITIES PRAISED

AU231446 Budapest NEPSZABADSAG in Hungarian 17 Mar 87 p 6

[Report by Andras S. Boda: "Rhythmic Applause in the Cultural Palace — Calling on Neighbors in Slovenia"]

[Excerpts] The Ivan Cankar Cultural and Educational Center's theater in Ljubljana is completely packed. The full house resounds with rhythmic applause. Sitting in the audience, France Popit, president of the SR of Slovenia, and his wife occupy the places of honor. The packed rows of seats are occupied by prominent figures of political and cultural life, young and old people dressed in national costumes and, towards the back, by people in elegant clothes and jeans.

This is 14 March, the gala cultural evening of Slovenes living along the Raba River in Hungary.

The gala evening culminates a 3-day series of events, which took place in order to present the life and culture of the ethnic Slovenes living in Hungary. [passage omitted]

Joze Smole, president of the Socialist Alliance, (this is their people's front), said the following: The social, economic, and political ties of Slovenes along the Raba River are the basis for their Hungarian citizenship, but their language and cultural ties are rooted in and nourished through their Slovene heritage. We consider it our duty and task to foster this relationship according to the established principles which have been coordinated with the political and state leaders of the Hungarian People's Republic, and thus help develop the ethnic life among Hungarians living in Slovenia. [passage omitted]

On Friday [13 March — narrator goes back to preceding day's events] evening a forum on the situation of national minorities is held. The presidium of the discussion includes prominent Slovene writers, scientists, and politicians, and the members of the Hungarian delegation. Naturally this event is attended by Dr Marin Mandity, secretary general of the Democratic Federation of Southern Slavs in Hungary, and Mrs Laszlo Glanz, member of the MSZMP Central Committee, who is the federation's deputy chairman and of Slovene origin.

A creative and helpful discussion develops on what help the SR of Slovenia can offer and what help it would require from the People's Republic of Hungary. This is a discussion by old acquaintances and friends, that includes teachers from the University of Ljubljana and Slovene teachers from Hungary who completed their studies together. The forum actually concludes the 3-day series of talks. [passage omitted]

It was, of course, natural that all events focused on Slovenes living in Hungary, but the situation of Hungarians living in Slovenia was also discussed. No, not for the sake of parallelism and comparison, but as proof of this exemplary and good cooperation, of this living bridge that makes the national minorities' life complete and, what is more, strengthens the friendship of the two peoples.

The center of events was focused on Ljubljana, but our hosts also provided an opportunity and possibility for us to meet the leaders of the ethnic Italians living at the Italian border in Koper. We enjoyed ourselves not only because of the pleasant sunshine that colored the sea blue in the Adriatic spring, but also because of the subjects of our talks; because we were able to see and feel that the members of the Italian community, just like the Hungarians a few hundred km north of them, are living their everyday lives as loyal citizens while preserving their nationality. [passage omitted]

GASPAR DEPARTS FOR WFTU SESSION IN WARSAW

LD251124 Budapest MTI in English 0936 GMT 25 Mar 87

[Text] Budapest, March 25 (MTI) — Sandor Gaspar, president of the World Federation of Trade Unions (WFTU) and of the Central Council of Hungarian Trade Unions, left for Warsaw on Wednesday to attend the 37th session of the WFTU bureau.

JUSTICE MINISTER MARKOJA COMMENTS ON LEGAL SYSTEM

AU191319 Budapest MAGYAR HIRLAY in Hungarian 14 Mar 87 p 3

[Interview with Justice Minister Dr Imre Markoja by MAGYAR HIRLAP staffer Andras Erdelyi: "Jurisdiction and Democracy" — date and place not given]

[Excerpts] In January the Council of Ministers set out the principles for preparing a bill on jurisdiction. That the statute is being draw up involves the realization that socioeconomic changes cannot leave our legal system untouched. [passage omitted]

[Markoja] [passage omitted] In our present system of economic management the role of indirect means has increased, and the application of these means requires a statutory form, which again often changes due to fluctuating economic circumstances. Similarly characteristic of the social conditions is the fact that today's laws must also fulfill a kind of regulatory role that cannot as yet be filled by the norms of socialist morale. [passage omitted]

[Erdelyi] A bill is being prepared on the principles of legal policy and on jurisdiction. What are the main points of this bill?

[Markoja] [passage omitted] One of the aims of this bill is to systematically arrange the legislative work of governmental bodies, and regulate this work fully and comprehensively so that it is possible to clearly define which body can create obligatory measures, in what form, and in relation to whom. In this way the law could significantly increase the lucidity of the legal system. [paragraph continues]

A further important aim -- in compliance with political goals -- is to strengthen the legislative power of parliament. This bill will establish all the subjects that would fall under the regulation of statutes. [passage omitted]

In my view the activity of the National Assembly and its commissions regarding jurisdiction will increase. [passage omitted] In order to supply better information for the members of parliament, we want them to be familiar with the middle-range government program on jurisdiction. However, we cannot be satisfied, especially considering the time available for organizing public debates and utilizing the proposals, nor in regard to the adequacy of information on the fate of proposals. [passage omitted]

[Erdelyi] Since you mentioned adequate information, allow me to inquire about a body with promising importance in jurisdiction. The Council of Constitutional Rights was established 3 years ago. Since then, apart from succinct communiques, public opinion has not received much information about its operation. I wonder why? How does this body fit into the life of the state as a whole?

[Markoja] Public opinion falsely believes that the Council acts as a constitutional court dealing with individual issues and complaints, although we have always stressed the contrary, and this has caused a problem in judging the Council of Constitutional Rights. The real task of the Council of Constitutional Rights is to participate in safeguarding the constitutional order of society and in ensuring the constitutionality of statutes and legal guides. [passage omitted]

[Erdelyi] So far we have talked mostly about the process of jurisdiction. Please, let us discuss the practical implementation of specific statutes. Public opinion in our country holds the view that it is easier to infringe the law than to adhere to it, and this leaves a lot of room for "adroit people." One thing is certain however, and that is that in recent years differences in incomes in our society have increased considerably, with extremely high incomes not always backed by a performance useful to society. To what extent can these phenomena be influenced by the tools of law?

[Markoja] Adroitness and the effort to acquire unlawful profits are not a new phenomenon to our society, yet both have become more apparent in recent years and, in many respects, have acquired new aspects. [passage omitted]

The unlawful acquisition of profits is always regarded by our courts as an act endangering social interests. I would like to mention here that judicial bodies and courts can only stop unfair economic activities if they come to light. The state bodies need the help of citizens to uncover more and more of these actions. [passage omitted]

[Erdelyi] Last but not least, please say a few words about those who apply the law today, those who work in the most prominent positions of justice. Last year there was a significant adjustment of salaries in the courts, but this did not stop the fluctuation. A responsible governmental official recently said during a parliamentary commission session that if this process continues, it could affect the pillars of governmental order.

[Markoja] No doubt, the law can only fulfill its social role if jurisdiction is carried out at a high level. [passage omitted] Yet one must mention a strongly increasing new trend that is causing problems, which to some extent has reached the point of causing concern. In addition to the growing sphere of authority and the problem of the ever-increasing number of cases reaching the courts, including very complicated and laborious cases, the number of judges has not increased

satisfactorily. Like other intellectual occupations, we also have registered a strong "feminine" trend. More than half of the judges are women; the proportion of women in local courts and among young lawyers is over 70 percent. In spite of their willingness to make sacrifices and carry out work equal to that of men, pressure from extra work has been increasing due to their leave for reasons resulting from their vocation as mothers (maternity leave, child rearing, sick children). In my view, this prevents us from being able to achieve an improvement based on our own resources. "Our internal resources" have been practically exhausted. [passage omitted] One must be aware of the fact, too, that judges are not allowed to have other occupations, so their incomes are equal to their salaries. This fact, coupled with the increasing work load, has led to a situation where high caliber replacements for employees in the judicial sector is becoming more and more difficult. At the same time more and more people have left the apparatus seeking higher incomes with less work and responsibility elsewhere. This negative trend has continued in spite of the adjustment of salaries. Since the adjustment, 64 employees working in juristic positions have terminated their positions. A satisfactory solution can only be envisaged over the long term and in compliance with better economic results. [passage omitted]

BRIEFS

MINORITY LANGUAGE TEACHERS — MTI — The National Minority Commission of the Baranya County Council examined the conditions of personnel involved in the public education and culture of national minorities and submitted relevant proposals to the state authorities. The commission requested the Education Department of the county council prepare a comprehensive report on the living and working conditions of minority teachers. It suggested to the local councils that in villages with minorities, teachers, cultural workers, and librarians should be employed who can speak German or Serbo-Croatian, and that these people should receive language benefits. [Excerpts] [Budapest MAGYAR HIRLAP in Hungarian 17 Mar 87 p 3 AU]

HAVASI IN SZOLNOK COUNTY —MSZMP Politburo member Ferenc Havasi, secretary of the MSZMP Central Committee, paid a visit to Szolnok County on 17 March. He was received at the county party committee in Szolnok, by First Secretary Karoly Majoros, and Lajos Bereczki, deputy chairman of the county council. Ferenc Havasi visited, first, the Tiszamenti chemical works. Laszlo Szalay, general manager of this large enterprise that employs 1,800 workers, told his guest that the chemical works supplied 95 percent of the domestic sulfuric acid production and 50 percent of the production of phosphor-based artificial fertilizer. Havasi then listened to a report on the activity of the plant's party committee and basic party organizations. Later, Havasi paid a visit to the first Hungarian cooperative beer brewery in Martfu. In the afternoon, Havasi spoke about current economic policy issues at an aktiv meeting in which the heads of party organizations, leading experts of enterprises and cooperatives, the press, and propagandists participated. The meeting was held at the county party committee headquarters in Szolnok. [Excerpts] [Budapest NEPSZABADSAG in Hungarian 18 Mar 87 p 5 AU]

YUGOSLAV WATER TALKS — Hungarian-Yugoslav water affairs talks began in Szombathely on 10 March. In the course of the 3-day meeting the experts will discuss the issues related to the maintenance of the flow regulation and water preservation technical facilities on the border sector of the Mura River, and will make an accounting of the work carried out last year. The joint value of this work exceeded a quarter of a million forints with each side spending 6 million forints on the maintenance and modernization of the facilities on both sides of the 48 kilometer border sector. According to the plans, the joint regulation of the river sector under the Murakeresztur railroad bridge and near the Kerka delta will commence this year. Hungary plans to spend 28 million forints on the required work through 1988. [Text] [Budapest NEPSZABADSAG in Hungarian 11 Mar 87 p 5 AU]

ECONOMIC REFORM COMMISSION HOLDS MEETING

LD260029 Warsaw PAP in English 2118 GMT 25 Mar 87

[Text] Warsaw, March 25 -- The Commission for the Economic Reform met at the office of the Council of Ministers here today. The meeting was attended by PUWP CC first secretary and president of the Council of State Wojciech Jaruzelski who has supervised the commission's works for five years.

The resolutions of the 10th PUWP Congress are unequivocal: The economic reform is a necessary condition and leverage for improvement of productivity and management and, in consequence, the elevation of living standards, stressed Prime Minister Zbigniew Messner at the start of the debate. He added that the Polish people expect an evident progress and more noticeable economic effects. The aim of this meeting, he said, is definition of substantive solutions serving this goal.

In tune with the commission's decisions taken towards the end of 1986 its secretariat has worked out a draft document "The Second Stage of the Economic Reform -- Aims -- Directions -- Solutions." Its essence was a starting point for the statements made at this plenary meeting of the commission. Wojciech Jaruzelski was the first to take the floor.

Secretary of the Commission for the Economic Reform Franciszek Kubiczek commented on the draft document. A task group put forward a thesis that the contents of the reform's second stage is composed, above all, of a fundamental acceleration in the practical implementation of the economic mechanisms specified in the so-called target model -- that is, in "the directions of the reform" adopted in 1981. This stage is, however, linked with a substantial development of the reform's programme as compared with its original concept and with the expansion of its mechanisms over fields hitherto left out. The basic goal is a profound improvement in the rationality of economic management and innovativeness in technology and organization.

In the opinion of the task group, the combination of five economic undertakings would give shape to the second stage of the reform. The first one is the restoration of balance, the basic premise of an efficient economic performance.

The process of balancing the market should be accompanied by bringing the economic indices to reality. Cutting subsidies, giving economic significance to taxes and current rates, bringing the value of fixed assets and amortization writeoffs to reality, etc. should be the key elements of this process.

To speed up the process of reforming the economy a free flow of hardware and financial means is necessary among economic units, and so is the creation of institutional conditions for the development of resourcefulness and improvement in the economic mechanisms, and a consistent observation of self-financing principles in the enterprises.

Chairman of the National Bank of Poland NBP Wladyslaw Baka presented an opinion by experts on ideological assumptions, implementation, and effects of the economic reform. They stated that changes taking place in Poland's economic life were big, and the directions of the reform worked out in 1981 were the most radical attempt in socialist countries to reconstruct the economic mechanism. According to foreign observers, the progress in implementing the reform is insufficient regarding both the needs and possibilities.

Presenting his own opinion, Baka stressed that broad possibilities should above all be open for people to show their own initiative. He said that the program of strengthening the currency must become a component of the 2nd stage of the reform. He also announced that the bank would present such a programme soon and stressed that the bank-enterprise relations must be of partner-like character.

Referring to society's response to changes taking place in the economy, Baka said that the reform should not be linked with concern about declining social security. It is the lack of reform that would increase the danger of deterioration of living standards, and the economic difficulties ensue from the crisis and not from the restructuring of the economic mechanism.

While referring to the market equilibrium, Professor Czeslaw Bobrowski recalled that this is a necessary condition, but insufficient for the reform to be successful and added that the restoration of even partial equilibrium cannot be achieved without a burden on the balance of payments.

Professor Jozef Pajestka pointed to the especially favourable period of time for carrying out deep reformatory changes. He noted that the processes of reform in Poland were facilitated not only by internal demands and conditions but also by transformations taking place in the countries of our closest allies.

The report presented for discussion was favourably assessed by deputy prime minister, Vice Chairman of the Commission for Economic Reform Manfred Gorywoda, who stated that "we have reached a critical point in the process of reforming. We are aware of social repercussions ensuing from the quick application of economic pressure. At the same time we have to be aware of the fact that slow progress poses a threat of poor efficiency of economic mechanism and the deepening of social discontent. The lingering of time of the reform process strikes at the reform."

Taking the floor at the end of the meeting, Prime Minister Zbigniew Messner stressed that PUWP CC first secretary's presence at the meeting of the commission testifies to the importance attached to the economic reform by supreme party and political authorities.

Messner said that during the debates, speakers repeatedly stressed that economic equilibrium is a prerequisite for the success of the reform. However, a statement that we are searching for a way to that equilibrium only through price movements is an oversimplified view. Our society is extremely sensitive about price issues and this is why this problem acquires a political character, while we have to reduce it to a normal, economic dimension.

PAP DETAILS POLITBURO VIEWS ON ECONOMIC REFORM

LD260038 Warsaw PAP in English 2143 GMT 25 Mar 87

[Text] Warsaw, March 25 — The PUWP CC Political Bureau yesterday examined the assumptions of the second stage of the economic reform and assessed the state of efforts aiming to thoroughly restructure the economy and strengthen money-market balance.

It said the result of the past six years fully backed the opinion that the reform in its first phase had played a major role in overcoming the worst difficulties.

The economic changes were closely related to and interwoven with the transformations brought about by progress of socialist democracy and the policy of national conciliation.

In-depth analysis of the results of that first stage also reveals many phenomena which hamper the reform and weaken the social effects of rising production and national income, the Bureau said.

It decided time had now come for radical changes in the country's economic life, including major changes in production procedure and the mechanisms of distribution of the means produced, in line with the resolutions of the tenth PUWP Congress and the directions of preparations to the second stage of the reform, as laid down by the third plenum of the party CC.

The Bureau stressed the changes must be brought into life in full respect for social justice and adequate shield for the living standards of the working people, especially those worse off.

It recommended faster work by the Economic Reform Commission and relevant government agencies, advisory bodies and expert teams.

To reach the aims of the second stage, economic management, including the planning and executive bodies, must reject all that hampers and obstructs and must streamline their work, the Bureau said.

It singled out increased supply of goods and services as the principal way to market balance, calling for removal of any obstacles to it in the local industries, the cooperative sector and the crafts.

The forward movement expected to be released by the second stage will have to involve also decisions which will be difficult for society, so the steps to follow will have to be preceded by consultations and agreements.

The creation of rational and economically justified pricing must entail the movement of wages, but it should be closely tied to both individual worker labour input and effects and the results obtained by the entire company, the Bureau said.

Social acceptance must be won for the rule that different effects of work by companies be reflected in their profits and the wages paid to the employees, as this will involve different incomes, it added.

The Bureau also discussed the course and advancement of a review of the organizational structures of the economy and state apparatus, ordering faster and more radical work by a relevant party-and-government commission.

The state apparatus structure should functionally correspond to the reformed system of running the economy, it said, adding that work towards that end should be carried on parallely at all levels, including the central ones.

First steps have been made in the finance and construction ministries in the hope that elimination of excess number of executive posts and simpler internal structures should streamline management.

The Bureau called for radical reduction of operational costs of the ministries, institutions and offices, and examined proposals to curtail the organization and make other austerity moves inside the party apparatus, especially with a view to use the means released to reinforce the lowest party cells. It was also found advisable to review the number of full-time staff of some of the state-funded social organizations and societies.

The outcome of a tentative attestation of jobs in 45 companies showed all obstructions should be removed immediately, the Bureau said, adding it will examine and assess shortly the government programme of jobs review and attestation for 1987-90.

Assessing the cadres policy, the Bureau said the second stage of the reform posed special requirements in that regard, as the success of it lies in the hands of the managerial cadre.

Preparations for the second stage should also involve sharper fight against social ills, and the Bureau asked the government to work out concrete proposals in the field. Also the Bureau said existing legal measures should be rigorously applied to curb earnings from profiteering, tax evasion or other malversations.

LOPATKA CONFIRMS NATION'S RELIGIOUS FREEDOM CAUSE

AU232003 Warsaw RZECZPOSPOLITA in Polish 20 Mar 87 p 8

[Interview with Minister for Religious Affairs Adam Lopatka, by Gustaw Radon: "Against Intolerance and Discrimination Because of Religion or Conviction" — date and place not given; first four paragraphs are newspaper's introduction]

[Excerpts] On 27 February, the UN Human Right Commission adopted a resolution concerning the implementation of the UN declaration to eliminate all forms of intolerance and discrimination because of religion or conviction. Poland was one of the authors of this resolution.

The commission considered it desirable to make the UN more active in fostering freedom of religion or conviction. It said that governments, supragovernmental organizations, churches, and denominations have important tasks in this sphere. The commission reaffirmed that freedom of thought, conscience, religion, and conviction is the right of everyone, without any discrimination.

The commission proposed formation of an international convention which might help eliminate all forms of intolerance and discrimination because of religion or conviction.

Considering the importance of these topics for Poland, RZECZPOSPOLITA asked several questions of Professor Adam Lopatka, who led the Polish delegation at the 43rd session of the Human Rights Commission in Geneva on 2 February-13 March 1987.

[Radon] We know that freedom of religion or conviction is defined and extolled in the internal legislation of individual countries. But what is its status in international law?

[Lopatka] Very high. Freedom of religion and conviction is regarded as one of man's fundamental rights and liberties. It is as important as the right to life and personal freedom, as the ban on torture including, cruel, inhuman, or degrading treatment, imprisonment for debts, and punishment for deeds which were not punishable at the time they were committed. Therefore, it possesses higher status than man's normal laws, but no higher than the above-mentioned fundamental rights and liberties of man. [passage omitted]

[Radon] And what is Poland's situation in light of the commission's session?

[Lopatka] Poland was mentioned neither in the reports prepared for the session nor during the session's talks. This means that international society considers Poland's situation concerning freedom of religion or conviction as good. The fact that Poland is the joint author of the resolution on this subject means the PPR Government considers it advantageous to continue consolidating freedom of religion or conviction in Poland and the world, and that it wants the terms of the UN declaration and International Civil and Political Rights Pact to be applied more widely.

[Radon] The 27 February UN Human Rights Commission resolution says it is useful to consider whether there is a need for a convention on the elimination of all forms of intolerance and discrimination because of religion or conviction. The convention would legally bind the states that ratify it, whereas the UN declaration is a document merely professing moral and political significance. What is the stance of Poland and the other socialist countries toward this idea?

[Lopatka] As I said, Poland is the joint author of this resolution, therefore, its stance is positive. It is difficult to say what other socialist countries' attitudes are since not all the socialist countries attended the session. Those countries that were present — the USSR, Belorussia, GDR, Cuba, Yugoslavia, and Bulgaria — were in favor. Let me add that the USSR suggested that the commission set up a working group this year, charged with working out a draft international convention on eliminating intolerance and discrimination because of religion or conviction and on preventing these phenomena. However, the commission adopted a more restrained stance on this matter. In this context it is worth pointing out that the USSR delegation at the 43d session included the rabbi of Moscow and an Orthodox clergyman, and that both of them gave speeches.

[Radon] Is this Soviet initiative connected with the policy of "restructuring"?

[Lopatka] No doubt it is. The Soviet Union is aiming to stabilize its international credibility also with regard to freedom of religion or conviction. Just like the other socialist countries, it is very credible when it comes to guaranteeing freedom of nonreligious convictions. Many countries, including highly developed capitalist countries, do not furnish credibility in this sphere. Right now, via suitable changes of policy, the Soviet Union is aiming to consolidate its world credibility with regard to guaranteeing religious freedom. This means an end to the period when Western countries could act as warriors of religious freedom or conviction and create the impression that the socialist states value religious freedom less than other fundamental rights and liberties of man. [passage omitted]

[Radon] Does Poland need to make any significant changes in its policy concerning religious freedom or conviction?

[Lopatka] The PPR has always enjoyed and still enjoys a high degree of world credibility when it comes to guaranteeing religious freedom or freedom of nonreligious convictions in Poland. PPR policy in this sphere, freshly confirmed in the documents of the June 1986 10th PZPR Congress, suits the needs of Polish society and is almost totally convergent with the UN standards in this regard. The answer, therefore, is no. It is merely necessary to continue implementing this policy consistently. Particularly valid is Poland's concern that all churches and denominations enjoy equal rights and share equal duties toward the state, and that some believers and clergymen nin some religions do not violate the freedom of citizens to hold nonreligious convictions.

CEAUSESCU SPEECH AT KATMANDU RECEPTION 17 MAR

AU191321 Bucharest SCINTEIA in Romanian 18 Mar 87 pp 1, 3

[Speech by Nicolae Ceausescu, Romanian president and RCP Central Comiittee general secretary, at "Katmandu Municipality" reception 17 March]

[Text] Mr Prime Minister, Mr President of the Katmandu Municipal Parliament, ladies and gentlemen: I would like to express warm thanks for the wishes conveyed to us and the Romanian people.

We are in Nepal on an official friendly visit at the invitation of his majesty the king of Nepal. This visit is an expression of the relations and cooperation in all areas and to strengthen solidarity in the struggle for disarmament and peace.

Within this framework, I would like to thank the residents of Katmandu who have welcomed us with feelings of friendship from the very moment we arrived in Nepal.

On behalf of the residents of Bucharest, the Romanian capital, and the Romanian people as a whole, I would like to extend warm greetings to you, to all the residents of Katmandu, and to all Nepalese people, together with best wishes for success in Nepal's socioeconomic development and in strengthening its independence.

During our visit we held talks with his majesty, the prime minister, and other government members. We came to the joint conclusion to continue to develop cooperation between our peoples and to strengthen cooperation at an international level even more.

Although our visit is brief, we are pleased with the work and concerns of the Nepalese people aimed at their economic development and at strengthening their independence. Once again, I want to repeat that we have the best impressions about the meetings and the friendly welcome given us by the residents of Katmandu.

We are convinced that our visit and the talks we have conducted will contribute to the vigorous development of friendship and cooperation between Romania and Nepal in the interest of the two peoples, of peace, and international cooperation.

During the talks we paid close attention to international issues. The international situation continues to be very serious, as is well known. Huge amounts of nuclear weapons capable of destroying all mankind several times over have been stockpiled. Therefore, the basic problem of our time include halting the arms race; proceeding toward disarmament, primarily nuclear disarmament; and completely eliminating nuclear weapons from our planet. (loud applause)

We believe it is necessary for all peoples — be they large or small — irrespective of social system, to strengthen cooperation to bring about appropriate accords between the Soviet Union and the United States of America regarding nuclear weapons and stopping the militarization of outer space.

We actively support the Soviet Union's proposals to eliminate all nuclear missiles by the year 2000 and we support the recent proposals on the conclusion of a separate accord regarding the elimination of intermediate-range missiles in Europe and limiting their number in Asia. We expect the United States to respond positively to these

proposals and to engage with all its determination in negotiations to reach the necessary accords related to eliminating nuclear weapons in Europe and throughout the world.

Similarly, we firmly advocate moves to reduce conventional weapons. Romania unanimously decided in November 1986 — within a referendum of the whole people, including young people of 14 and above — on a unilateral 5-percent cut in weapons, troops, and military expenditures. We have decided to demonstrate the Romanian people's firm desire for peace and, at the same time, to stress the importance of moving from statements and words to tangible and genuine disarmament actions.

During our discussions with his majesty, the prime minister, and other government members we noted that Nepal holds identical positions and supports disarmament. In actual fact, in all the countries we have visited in the past few days we noted with great satisfaction that all peoples and governments of those countries favor nuclear disarmament, general disarmament, lasting peace, and cooperation among all nations in the world.

We firmly advocate a zone of peace, without nuclear and chemical weapons, and without foreign military bases in the Balkans. We favor such zones also in other parts of Europe and on other continents.

With great satisfaction we have hailed the initiative by His Majesty the King of Nepal to turn Nepal into a zone of peace. [applause] It is well known that in various states in the world, including the United States, whole cities have declared themselves nuclear-free cities. The more cities, localities, and states that turn against nuclear weapons and become nuclear-free zones, the greater successes will we achieve in the struggle for disarmament and peace! [applause]

I want to state frankly: The international situation is serious. There is the danger of a war that could destroy all mankind. But, at the same time, peoples everywhere firmly raise their voice to halt the policy of war and promote a policy of peace. We are convinced that the peoples can impose worldwide peace and equal cooperation if united. [loud applause]

We would like to see Romania and Nepal standing first, together with other nations, in the struggle for disarmament and peace and for a better and more just world. [loud applause]

Romania speaks out firmly for halting all military conflicts in various regions of the world, and for finding solutions to all interstate problems solely through negotiations.

We have always firmly supported the struggle for national independence of all nations. [loud applause] We firmly support Namibia and SWAPO [South West African People's Organization] in their struggle for independence. We condemn the policy of apartheid in South Africa. [loud applause]

We speak out for relations of full equality among the states of the world, for unflinching respect for independence and national sovereignty, and for respect for each nation's right to choose freely its own path of development free from any outside interference.

It is well known that the world economic situation has deteriorated. This is a direct result of arms policies, of great military expenditures, and, certainly, of the inequality promoted by the great developed powers and imperialist financial circles. The gap between the rich and poor countries has greatly widened in the past 5 years. [paragraph continues]

A small group of developed countries accumulates ever-increasing amounts of wealth, while the great majority of countries — which represent more than two thirds of the world — grow poorer. Such a situation cannot go on for long. This policy of inequity and acquiring wealth at the expense of the majority of nations must be ended, and everything possible should be done to establish new relations of equality, equity, and mutual advantage and to establish a new economic order!

I noticed in all the countries we have visited during the past few days that there are the same concerns with and identical views on the need to strengthen cooperation and solidarity to eliminate underdevelopment and establish a new financial-economic policy.

We speak out for an international conference — within the United Nations — with the participation of both developed and developing countries. We would like the developed and developing countries to find solutions that will help developing countries progress more rapidly with the harmonious development of the world economy. Developed countries must understand that this situation in where the majority of the world's nations have reached an unacceptable state of poverty, cannot continue any longer!

I must mention with pleasure the identity of views between Romania and Nepal on strengthening cooperation and the struggle for a new world economic order. Romania has its own experience. Nepal also has its own experience, and is aware that independence can be won only through struggle. Peace and the new economic order can be achieved only through solidarity and the joint struggle to establish true equality among nations and ensure the independent and free development of each country.

We firmly speak out for strengthening the United Nations and other international bodies, and for increasing the role of small, medium-sized, nonaligned, and developing countries — as an active factor — in seeking democratic solutions to all international problems, in the interest of each nation.

I have not spoken about the situation in Romania. I just want to stress that the Romanian people, engaged with all their reasources in a great program of socioeconomic development, have already achieved very important results.

I hope that, as a result of our visit and the understandings we have reached, we will intensify our contacts and the exchange of delegations, and that many of the citizens of Katmandu and Nepal will see for themselves the achievements and the life of our people. In this respect, I would like to extend the invitation to a delegation of Katmandu, headed by the president and other members of the Municipality Parliament to pay a visit to Bucharest and to Romania. (loud applause)

Once again, I would like to thank you, all the citizens of Katmandu, for the friendly welcome and manifestations we enjoyed here. I convey wishes for a stronger and independent development of Nepal and of its capital city, Katmandu. I wish you, the citizens of Katmandu, and all the people in Nepal much prosperity, well-being, and happiness. (loud applause)

Long live cooperation and friendship between Romania and Nepal! (loud, prolonged applause). Long live peace, independence, and freedom of all the nations of the world! (loud, prolonged applause; all those present in the hall rise and chant minutes on end for the friendship between Romania and Nepal and for the president of the Socialist Republic of Romania, Comrade Nicolae Ceausescu)

FEC DECISION ON PRICE REDUCTION BECOMES EFFECTIVE

AU251737 Belgrade BORBA in Serbo-Croatian 24 Mar 87 pp 1, 14

[M. Dapcevic Report: "Cheaper Life in 8 Days' Time"]

[Excerpts] Belgrade 23 Mar — The FEC's decision regarding the reduction of some — at present free — prices to their December level increased by 20.3 percent [as published] has become effective as of today. [passage omitted]

In the next few days producers will be left to interpret and study the FEC's decision and then reduce their prices and inform the Federal Institute for Prices about this in 3 days. This procedure must be finalized in 8 days at the latest, which means that we should have new, lower prices starting next Monday. [passage omitted]

At present it is difficult to say which products will be affected and by what percentage, but according to the price rises in the last 2 and 1/2 months one can almost certainly say that the FEC's decision will reduce the price of some cars, various machines and tools, and many articles used for metal processing and machine building. Furniture; many food products; and textile goods, both unfinished and finished, will also be affected. The price of detergents, cosmetic goods, leather goods (excluding children shoes), cooking dishes, glass and so forth must also be reduced. [passage omitted]

RENOVICA DEFENDS INTERVENTION MEASURES

AU251740 Belgrade POLITIKA in Serbo-Croatian 21 Mar 87 p 6

[M. Caric report: "Intervention Measures Are Not 'Mikulic's Laws'"]

[Excerpts] Sarajevo, 20 Mar — Judging from its sharp tones, the Sarajevo LC City Committee session that dealt with topical ideopolitical questions on the economic development of the capital city of Bosnia and Hercegovina, that was held today, did not stay within the "city limits," because it dealt with problems that the entire Yugoslav economy is facing. [passage omitted]

Milanko Renovica, president of the LCY Central Committee Presidium, also took part in the discussion and several times pointed to "departures from the main subject," which is earning income and increasing production and exports. According to him, only with this kind of attitude can personal incomes rise and personal spending — which at the beginning of this year reached the rate of 110 percent — be reduced.

Instead of understanding the correct sense of the intervention laws, which are temporary in nature and are tied to personal incomes in the last quarter of last year and to the productivity of work, we had a wave of strikes and strong resistance, said Renovica. Some sociopolitical structures called these measures "Mikulic's Laws" significantly contributed to this and in this way cast the blame for their dissatisfaction on the president of the FEC. People forget, said the president of the LCY Central Committee Presidium, that seen in general terms, these latest laws are the result of party discussions and the positions contained in the Long-Term Economic Stabilization Program. [passage omitted]

FEC'S ZEMLJARIC VIEWS IMF, INTERVENTION LAWS

LD230050 Belgrade TANJUG Domestic Service in Serbo-Croatian 2023 GMT 22 Mar 87

[Excerpt] Sarajevo, 22 Mar (TANJUG) -- The long-term program of economic stabilization was extensively discussed, especially during the work on this year's resolution on social development, by all organizations and communities. All those who took part in these discussions unanimously agreed that a disciplined implementation of these two documents was our only and probably our last chance for bringing the country out of its economic difficulties. There is therefore no room for an ostensibly surprise reaction to the Intervention Law and the way it affects spending and personal incomes.

This was stressed this evening by Janez Zemljaric, vice president of the Federal Executive Council, when addressing Yugoslav journalist-athletes who had gathered at Mt Igman. Instead of moaning and denouncing the Federal Executive Council, all collectives would do better to immediately reexamine their production programs, their commitment to export, to increasing production, and to other factors, which may improve their economic performance. As Vice President Zamljaric said, there will and can be no retreating, as that wouud lead us to an even deeper economic and social crisis.

The latest reaction to the Intervention Laws, particularly those concerning the area of distribution and expenditure in general, Zemljaric said, mirror our inadequate activity in explaining the gist of these inevitable measures to associated labor and the working people and citizens.

FEC Vice President Janez Zemljaric continued his address by speaking in greater detail about this year's worsening economic trends and trade results at the beginning of this year, which is in contradiction with the increases in personal incomes in January and February.

Zemljaric went on to reply to a number of questions. Asked about the Brazilian Government's decision on repaying debts and interest, Zemljaric said that the decision was significant, that it had wider implications for debtor countries, and that it would introduce certain new features in relations between creditors and debtors. The Brazilian Government's decision, he said, raised fresh issues and will stimulate the search for more efficient measures to resolve these major problems. Asked about our relations with the IMF, Zemljaric said that the assessment by an IMF commission that visited our country last December and in January of this year, was rather sharp; in one way it was a positive assessment and in the other it was negative. We are being criticized for among other things not regulating the area of expenditure, for failing to introduce real interest rates and a real exchange rate for the dinar, for lack of control over our monetary policy, and so forth. In the commission's view our reforms are too slow. We cannot fully accept this assessment, as despite our weaknesses, of which we are quite aware, we have nevertheless succeeded in making small advances under very difficult conditions. We therefore expect our foreign partners to show a certain amount of understanding for the need to reschedule our second-stage debts of about 2 billion.

Asked about the reaction by some sociopolitical organizations to the Intervention Laws, Zemljaric stressed that these laws were passed with the full support and approval of all constitutional organs and that the Federal Executive Council continued to cooperate with the trade union federation in implementing the stabilization program. [passage omitted]

INCOME LAW CAUSES 'SILENT STRIKE', ABSENTEEISM

AU251700 [Editorial Report] Belgrade BORBA in Serbo-Croatian on 23 March carries two reports on reaction to the intervention law on personal incomes, a 600-word report by V. Jovanovic entitled "Workers' Silent Strike" on page 4 and a 700-word report "unprecedented Move" by Z. Krzelj on page 5.

V. Jovanovic begins the report by saying that "the restrictive policy in personal income distribution gravely affects direct producers and endangers the realization of otherwise ambitious economic plans. The recently adopted intervention law has resulted in an increase in the employees' absence from work due to sick leave, but also in a special kind of silent workers' strike." Further on, the reporter quotes Vlada Brkanovic, director of the Working Organization for Production of Electrical Medical Instruments, X-ray Machines, and Equipment, speaking at the meeting of the Nis Electronical Factory officials with representatives of the Serbian Executive Council, as saying the following:

"Two undesirable phenomena have appeared recently. One is the considerable increase in workers' absence from work due to sick leave, because people are better off sitting at home and receiving personal income at the rate of last year's average income. The second one, more dangerous than an open work stoppage is the constant silent strike of producers whose work zeal has fallen sharply after realizing that their personal incomes have to be at the level of previous average incomes, irrespective of the results they are achieving now."

The author of the second BORBA report says at the beginning that "the intervention law on personal incomes has provoked various reactions from employed people throughout Yugoslavia, but the event at Split Automobile Club is nevertheless an unprecedented case. Namely, a complete LC basic organization of 15 members left the LC and also suggested to other people employed at the automobile club that they should collectively leave the trade union organization." Further on, the author quotes Vesna Milat, one of the three automobile club officials who visited the office of BORBA's Split correspondent, as saying that "the way the people in the automobile club felt about the implementation of the law was the last drop that forced the cup of bile, which has been collecting for years, to run over."

FEC REPORTS NUMBER OF STRIKES IN MARCH

AU261023 Belgrade POLITIKA in Serbo-Croatian 25 Mar 87 p 9

[Unattributed report: "Work Stoppages"]

[Text] According to the data the FEC presented to the SFRY assembly delegates, there were 168 work stoppages since the adoption of the intervention laws (until 20 March inclusive). They involved a little over 20,000 workers and their length ranged from several hours to several days. Bosnia-Hercegovina had 5 work stoppages, Montenegro 1, Croatia 39, Macedonia 28, Slovenia 34, Serbia proper 53, Kosovo 2, and Vojvodina 5. [figures as published]

At the session of the Committee for Socio-Economic relations, a Montenegrin delegate supplemented those data, saying there were 18 work stoppages in this republic.

WORKERS IN SKOPJE HALT WORK OVER INCOME

LD252108 Belgrade TANJUG Domestic Service in Serbo-Croatian 1614 GMT 25 Mar 87

[Text] Skopje, 25 Mar (TANJUG) -- Over 150 first shift workers of the Finland Proizvodnja basic organization of associated labor, which operates as part of the Treska-Mebel work organization from Skopje, stopped working this morning. The reason was a demand for higher personal incomes. This organization of associated labor has been operating at a loss for 2 years now, and the cause of the workers' dissatisfaction were considerably "thinner" wage envelopes for this month, caused by the restrictive measures imposed by new systemic laws.

MANAGERS JOINING WORKERS IN VOJVODINA STOPPAGE

LD252107 Belgrade TANJUG Domestic Service in Serbo-Croatian 1551 GMT 25 Mar 87

[Summary] Novi Sad 25 Mar (TANJUG) -- At a session of the Presidium of the Vojvodina Trade Union Council held today, it was said that since the beginning of this year there have been 15 work stoppages, out of which 7 took place after the introduction of the law on limiting personal incomes. The most recent feature of work stoppages in Vojvodina work organizations is that individual managers are joining workers.

TITOGRAD WORKERS STOP WORK OVER LATE PAY

LD252202 Belgrade TANJUG Domestic Service in Serbo-Croatian 1621 GMT 25 Mar 87

[Text] Titograd, 25 Mar (TANJUG) -- More than 500 workers of the Visokogradnja basic organization of associated labor of the Titograd construction combine left their work places at midday today and held an extraordinary meeting at which they demanded an explanation from their managers and representatives of the municipality about why the employees of this collective have not received personal incomes for 3 months. The workers are particularly angry that instead of being paid on the basis of work performed, they will receive minimal personal incomes, that is, 50,000 dinars per month.

Most of the workers who spoke expressed dissatisfaction with the fact that they were deceived by their management structures about the material position of this collective (whose losses last year amount to almost 5 billion), as well as that information passed onto them was delayed and incorrect -- that is, only today did they come to know that they will receive minimal personal incomes retroactive from the beginning of the year. Members of some units of the Visokogradnja basic organization of associated labor pointed out that they had carried out business well and had even achieved a surplus of net personal income and therefore find it illogical to be punished instead of rewarded.

Many of the workers also demand specific responsibility from management structures and appropriate municipal organs which, as they stressed, are responsible for this difficult situation of the biggest Montenegro construction work collective.

KRANJ WORK STOPPAGE ENTERS 3D DAY, PRODUCTION DROPS

LD252205 Belgrade TANJUG Domestic Service in Serbo-Croatian 1654 GMT 25 Mar 87

[Summary] Kranj, 25 Mar (TANJUG) — A work stoppage started by a group of about 60 workers in one of the departments of the Planika footwear factory has entered its 3d day. The stoppage has not spread to other departments of the factory but has affected their productivity as production between departments are linked. Consequently the output fell by 20,000 pairs of shoes. Today the sociopolitical organizations of Kranj expressed support for the management of the work organization, which does not want to yield to the group's demand to maintain old production norms and increase personal incomes.

SLOVENE LC VIEWS 'DIFFICULT' INCOME PROBLEM

AU251717 Belgrade BORBA in Serbo-Croatian 24 Mar 87 p 3

[J. Pjevic report: "The Central Committee Presidium of the LC of Slovenia on the Implementation of Intervention Laws: Difficult, But It Must Be"]

[Text] Ljubljana, 23 Mar — Representatives of the republican organs and the leaderships of sociopolitical organizations informed the Central Committee Presidium of the LC of Slovenia about the very difficult and complex situation in connection with the implementation of the intervention laws reducing personal incomes and spending within the limits and proportions set by the resolution. The situation will be particularly aggravated in April when personal incomes will be definitively adjusted for the first quarter.

Despite the difficulties and great dissatisfaction of those employed in a large number of economic organizations, and especially in non-economic organizations, the Presidency decided that a consistent implementation of the intentions of the intervention laws should be ensured through intensive social and political actions, along with maximum involvement of the workers collectives and their self-managing and managing organs and the organs of sociopolitical communities, for this is in the long-term interest of both the individual collectives and the community. To ensure the most successful implementation of these intentions, the Presidium supported the initiative of respective republican organs to correct the intervention laws so as to eliminate the excesively even application [prevelika linearnost] and to favor successful work collectives; the necessary incentives for achieving the highest possible revenue and, on that basis, appropriate personal incomes and for enabling the adjustments to be made over a somewhat longer, more realistic period should also be built in.

In reply to statements by Miha Ravnik, president of the Republican Council of the Trade Union Federation, and Vlado Klemencic, member of the Presidency, to the effect that "highest tension and nervousness reign" in Slovene collectives because of the intervention laws restricting personal incomes and funds for social activities, despite the fact that those employed in this republic have the highest personal incomes in the country absolutely and not only relatively, Milan Kucan, president of the Central Committee Presidium of the LC of Slovenia, said that to a great extent this is a consequence of the fact that last year, and especially in December, personal incomes were paid above realistic income capabilities and above the growth of productivity.

Because of the strong pressure of statism and alienated decisionmaking in general, workers have been pushed into a hired-labor position and they behave accordingly, which is to say they demand an appropriate price for their "labor power" independent of the results of business operations. To a great extent, such behavior is also a consequence of being widely accustomed to living with inflation and of being taken in by some individuals' nationalistic theses that federal organs are to be blamed for all the difficulties and development problems of Slovenia. This was manifested during the irresponsible paying of high personal incomes in December under the excuse that the federal government will freeze them, despite the guarantees given at the time that this will not happen as long as socially agreed frameworks and criteria for distribution are honored.

SLOVENE ASSEMBLY HEARS DOLANC ON CONSTITUTION

AU181850 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 18 Mar 87

[Text] The Slovene Assembly has endorsed the SFRY Presidency's proposal on the beginning of the process of amending the SFRY Constitution. Here is a report by Relja Atanasijevic:

The debate on the proposal to initiate the procedure for amending the SFRY Constitution held at the morning session of all chambers of the Slovene Assembly was given prominence and significance by the speech of Stane Dolanc, who submitted the introductory report on behalf of the SFRY Presidency. In an almost 1-hour speech he expounded in rather great detail the meaning and aims of the proposed amendments to the Constitution, whose basic principles are not being changed. He pointed out that the development of socialist self-managment becomes more and more dependent to the way we manage to resolve basic contradictions between the initiated processes of socialist self-management in society and society's obstinate statist organization. In resolving this contradiction Dolanc saw the possibility of building a social organization that will be able to enable the workers to decide on all questions of their life and work -- that is, about all important questions of socialism at all levels.

Dolanc considered it necessary to expound on about 100 SFRY Presidency proposals, and then he warned about the fact that working people everywhere have been more and more interested recently in relations within the federation. What is involved is a certain uneasiness on the part of the working people because of some unitarian-centralist and separatist extremists, and their public statements, in which they explain the constitutional order and the concept of amending it in an extremely subjective way. It is an unfounded fear that the constitutional amendments would make possible a return to old and outdated centralist relations, separatist tendencies, or other backward processes.

Stane Dolanc concluded his 1-hour speech at the Slovene Assembly by noting that the forthcoming debates on the constitutional amendments should contribute to a coordination of views on the significance of investing work and knowledge in finding a way out of the economic and broader social crisis and in our faster democratic development.

After a brief report on the public debate in the regions and sociopolitical organizations of the republic, Miran Potrc, president of the Slovene Assembly, noted that, first, the amendments do not change the foundations of the Constitution and, second, it is only in the further strengthening of the system of socialist self-management and the federal order of Yugoslavia that the Slovene people and the workers of Slovenia see the perspective of their development and survival.

SLOVENE WRITERS OPPOSE CONSTITUTIONAL AMENDMENTS

AU162110 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 16 Mar 87

[Text] The Slovene Writers Society's public forum on proposed amendments to the SFRY Constitution started 2 hours ago in the Cankar Home in Ljubljana. The reason for this forum was the view of Slovene writers, presented in the form of a recommendation, that the SFRY Presidency's proposal for constitutional changes be rejected and that the Presidency prepare new amendments. Relja Atanasijevic reports from Ljubljana:

[Begin Atanasijevic recording] A review of the Slovene Writers Society's view was presented by Dr Ciril Ribicic, member of the Slovene LC Central Committee Presidium, in his introductory speech at the forum. Having said that he read the authorized discussion by Slovene writers that was conducted under the baton of Dr France Bucar, Ciril Ribicic felt invited to express his views as an advocate of constitutionalism, as NOVA REVIJA had characterized him. He said that the Slovene Writers Society had invited Bucar to convey to the people, with the stroke of his pen, the authentic explanation of the SFRY Presidency's proposal for constitutional amendments. In the style of his already known views, Dr France Bucar provided explanations, at times even contradictory, in any way that suited him. Since the list of these none-too-well-intended assertions is fairly long, I will only briefly mention some, the way Ciril Ribicic cited them:

The constitutional amendments represent a turn toward the direction of the old concept of a unitarian and centralist Yugoslav in which the Slovene nation, according to the new concept, is not wanted, because it is neither historic nor sovereign. In the same breath Bucar said that the advantage of the former Yugoslavia was that as a legal state it did not imperil the Slovene nation. Speaking then about a confederative Yugoslavia and its totalitarian regime, he added that it was reminiscent of the prewar kingdom of Serbs, Croats, and Slovenes. He further claimed that the existence of the LC as a vanguard represents an obstacle to the affirmation of progress and democracy. The Slovene Writers Society, which took an attitude completely different from that of everybody else in Slovenia toward the proposed constitutional changes, went along with this kind of explanation, concluded Ciril Ribicic. He opposed the alleged poetic and sentimental negation of the SFRY Presidency's proposal for constitutional changes and its being put in the same basket with the memorandum of a group of Serb academicians and the reports about the bourgeois right. [end recording]

SMOLE CITES 'NEGATIVE DEVELOPMENTS' IN SLOVENIA

LD191021 Belgrade TANJUG Domestic Service in Serbo-Croatian 0540 GMT 19 Mar 87

[Text] Banjaluka, 19 Mar (TANJUG) — "Nothing exceptional has been happening in Slovenia. All the negative developments could one day happen in some other part of Yugoslavia. What is important is that the Slovene public has denounced the so-called poster and the articles in NOVA REVIJA. And I must also say: We do not need any comradely help from other republics. We are capable of resolving our problems on our own. Attempts to create some kind of Slovene syndrome are very irresponsible and damaging to Yugoslavia as a whole as they are a grist for the mill of certain nationalist forces in Slovenia."

This was stated by Joze Smole, president of the Slovene SAWP republican conference, in an interview being published today by GLAS of Banjaluka.

Stressing that Slovenia, too, is conducting a struggle for further democratization and for enhancing the essence of socialist self-management in the circumstances of an economic and social crisis, Smole noted that "this was an ideal opportunity for below-the-belt punches, provocations and demagogy" adding that "we shall not be duped by these provocations nor shall we abandon the general course of enhancing democracy in our society."

Smole also commented on the Yugoslav public's call for establishing who was responsible for the youth Day poster. "I think, Smole said, [quotation marks as received] that all the available measures should be taken against the authors as it is clear that the poster was meant as a provocation. In any case, we have adopted a political view of the affair; it is now up to the judicial organs who know what is to be done. On this occasion again I would like to appeal to the public not to exaggerate the whole affair, and to allow the Slovene youth to start the youth baton relay race in a dignified manner, thus taking another step toward strengthening the brotherhood and unity...we have changed some aspects of it but there should be no conflict over that. There will not be any actual running (carrying the baton), but a number of important gatherings have been planned...."

Smole also spoke about the unacceptable views put forward by NOVA REVIJA stressing that "it is their unacceptable nature that made us react in such a sharp manner. That was a direct attack on our federal system, on the equality of our nations and nationalities. Some of the articles are not worth commenting on. For instance, the idea put forward in one of the articles that the national liberation struggle was illegitimate, that we are an illegitimate society. By that imbecilic logic the legitimacy of the French Republic or the United States could also be questioned...their view of Bosnia-Hercegovina, Montenegro and Macedonia is absolutely untenable. I do not think that the authors themselves believe what they wrote. That was a pure provocation and I am adamant that those views are not the views of either the Slovenes as a whole or the Slovene intelligentsia. Some, for instance, want us to ban NOVA REVIJA. Would that not be a sign that we have been taken in by the provocation? I think that we are strong enough to win this battle in a democratic way, Smole said. [no closing quotation mark as received]

MONTENEGRO ASSEMBLY APPROVES AMENDMENTS

LD202120 Belgrade TANJUG in English 1947 GMT 20 Mar 87

[Text] Belgrade, March 20 (TANJUG) -- With today's endorsement from the Assembly of Montenegro, the first round of the complex procedure to amend the Yugoslav Constitution has been completed. The assemblies of Yugoslavia's six republics and two autonomous provinces this week upheld the proposal of the Yugoslav State Presidency to start procedures for amending the country's Constitution. The assemblies assessed that the amendments will contribute to the strengthening of socialist self-management and help Yugoslavia to surmount the longstanding economic and social crisis.

Since it has received the go-ahead from the Republican and provincial assemblies, the Federal Chamber of the Assembly of Yugoslavia will on March 30 initiate work on amending the 1974 Constitution. A constitutional commission will be formed to prepare draft amendments of the normative section of the Constitution, since the general view is that its fundamental principles, on which the country's socialist self-management system is based, should remain unchanged.

The constitutional commission is expected to complete the draft amendments by the end of July. When the draft is adopted by the Federal Chamber, it will be debated in the republican and provincial assemblies. The draft will also be the subject of a several-month general public debate.

Two committees of the Assembly of Yugoslavia today stressed that the public debate should be "democratic to the greatest possible extent" so that the best solutions could be found. They also warned that the anti-socialist forces which have recently surfaced in Yugoslavia will also try to advocate their ideas and impose their solutions during the public debate and said that progressive forces must firmly counter such attempts.

The Assembly of the Republic of Montenegro assessed that constitutional amendments will also contribute to more efficient decision-making at all levels. It backed the proposals which emphasize the responsibility of the federation for the integral Yugoslav market, and envisage broader authority of federal bodies in taxation policy, commodity reserves and the country's technological development.

BANK OFFICIAL EXPLAINS FOREIGN CURRENCY RULES

LD192138 Belgrade TANJUG in English 2022 GMT 19 Mar 87

[Text] Belgrade, March 19 (TANJUG) — Speculations about a possible conversion into dinars of private foreign currency deposits in Yugoslav banks are completely groundless, general secretary of the Yugoslav Banks' Association Milovan Milutinovic told a press conference here today.

Milutinovic also denied rumours that Yugoslav citizens would have to account for the origin of their foreign currency deposits.

According to the figures made public by the National Bank, Yugoslavs had 4,943 billion 194 million dinars (roughly 535 dinars to the U.S. dollar) on foreign currency bank deposits on February 20 this year. The statement for dinar bank deposits on the same date was 2,117 billion 225 million.

FEC PRESIDENT MIKULIC, DELEGATION DEPART FOR FRG

LD260907 Belgrade TANJUG Domestic Service in Serbo-Croatian 0720 GMT 26 Mar 87

[Text] Belgrade [dateline as received] — FEC President Branko Mikulic, accompanied by his wife and aides, left for Bonn this morning for an official visit to the FRG at the invitation of Federal Chancellor Helmut Kohl.

The official Yugoslav-West German talks about bilateral relations and topical economic world problems will begin sometime today.

At Belgrade airport the FEC president and his delegation were seen off by Janez Zemljaric, FEC vice president; Zoran Miskovic, FEC secretary general; Raif Dizdarevic, federal secretary for foreign affairs; and [words indistinct].

More on Mikulic Visit

For further reportage on Premier Branko Mikulic's activities in Bonn, including talks with FRG Chancellor Helmut Kohl and Foreign Minister Hans-Dietrich Genscher, see the Federal Republic of Germany section of the 26 March Western Europe DAILY REPORT and subsequent issues.

BRIEFS

BORBA ORGANIZATION BUSINESS RESULTS -- The BORBA work organization had a relatively successful year last year. Only the newspaper BORBA sustained a loss, which amounted to 8 billion old dinars. Jovan Jaulkovic, the assistant general director of the work organization, says that BORBA has outdated equipment for which nobody in the world makes spare parts any more. According to him, BORBA would need $14 million and 1,400 billion dinars to introduce new technology. [Summary] [Belgrade BORBA in Serbo-Croatian 21-22 Feb 87 p 7 AU]

PRISON SENTENCE FOR PROPAGANDA -- The Criminal Bench of the Tuzla Higher Court, with Judge Milorad Novakovic presiding, sentenced Engineer Miladin Nedic to 3 and 1/2 years imprisonment for hostile propaganda. Nedic adovocated on several occasions between 1982 and 1986 the overturn of the workers class and the destruction of brotherhood and unity. [Summary] [Belgrade BORBA in Serbo-Croatian 6 Mar 87 p 14 AU]

AID TO MPLA -- Dr Ivo Kustrak, Yugoslav ambassador in Luanda, presented Yugoslav aid to the Popular Movement for the Liberation of Angola-Labor Party. The aid consists of office equipment, typewriters, loudspeakers, photo copiers, and other equipment. [Text] [Belgrade POLITIKA in Serbo-Croatian 10 Mar 87 p 2 AU]

TOURIST BORDER CROSSINGS -- Last year 24.7 million foreign tourists crossed the Yugoslav border, which is 6 percent more than in 1985. The busiest border crossings were with Austria and Italy. At the border crossings with Albania there were 20,600 registered crossings. Our citizens' visits to Greece marked an increase of 32 percent. The number of Yugoslavs granted a permit to visit Albania was 9,166. [Summary] [Belgrade POLITIKA in Serbo-Croatian 10 Mar 87 p 7 AU]

AGREEMENT WITH USSR -- The Belgrade Agricultural Combine and the Soviet trading organization Selkhozprom-Export signed an agreement worth $50 million. The Belgrade Agriculture Combine will build some objects for the Ramenskiy and Moskva agricultural combines while the Soviet side will participate in some projects involving land improvements. [Summary] [Belgrade BORBA in Serbo-Croatian 11 Mar 87 p 4 AU]

FOREIGN STUDENTS -- At present there are about 15,000 foreign students studying in Yugsolavia. The greatest number of foreign students is from Greece, about 6,000; from Jordan, over 2,000; and from Syria and Iraq, about 1,500 from each. Of these students, 10,641 are studying in Serbia proper, 847 in Vojvodina, 419 in Kosovo, 2,016 in Croatia, and 1,154 in Bosnia. About 5,000 foreign students are studying social sciences, 3,500 medicine, 3,000 technical sciences, 1,000 agriculture, 500 mathematics and other natural sciences, 250 theology, and so forth. [Summary] [Belgrade BORBA in Serbo-Croatian 26 Feb 87 p 5 AU]